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Can empowerment in frontline service work ever live up to the billing?:

A critical case of Wine Corp

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the requirements for the degree of
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Declaration

This thesis is submitted to the University of Warwick in support of my application for the degree of Doctor of Philosophy. It is composed by myself and has not been submitted in any previous application for any degree. None of the material it contains has been published elsewhere.

Abstract

My research seeks to illuminate the forces and factors that shape the experience of frontline service work (FLSW). Relations of production have traditionally been emphasised as the centre of gravity in FLSW experiences. More recently the gaze has shifted towards relations of consumption, based upon a belief that the presence of the customer at the point of production has qualitatively reoriented the experience of shop floor life.

To further clarify the nature and significance of relations at the point of production and consumption I embarked upon a three-year study as a “complete participant” in Wine Corp PLC (WC). This extended a seven year period of informal data collection as a frontline employee, which combined to provide ten years of “behind the scenes” access in total. Such a vantage point offered unique longitudinal exposure to co-workers and other “lead actors” who produced and reproduced WC.

The data and analysis revealed four forces and factors that are under-represented in mainstream “service triangle” accounts of FLSW. Firstly, the importance of individuality tends to be understated, as variations in personalities and characters have significant bearings upon FLSW life. Secondly teams matter, as co-workers have a far greater bearing than many accounts allow for. Thirdly *anteriority* effects are significant, meaning that the past acts as a key constrainer and enabler of present-day actors. Lastly and most importantly, the power and influence of “outside” forces and factors to overshadow and act upon “inside” actors is underestimated. The real power in WC is neither management nor customers but rather shareholders, whose structurally-embedded ideology of “shareholder value” reigns supreme over in-house relations. My model of *amphitheatrical relations* contributes an analytical framework that synthesises connecting mechanisms between the people and parts that comprise “internal” and “external” relations, whilst also illustrating the reach and limits of particular actors.

Abbreviations

AR	Annual report
"Bleed blue"	A Wine Corp employee considered fanatical by co-workers
"Cover"	Where a FLSW is required to make up a staff shortfall at a store other than their "home store." Typically for a day but sometimes for longer periods
CRP	Critical realist philosophy
Deliveries or "dels"	All WC stores do home deliveries with a store-based van
Depot	The distribution hub for "drops"
Drop	A delivery of bulk goods from WC's distribution centre
EPOS	Electronic point of sale - a computerised till system
FLSW	Frontline service work or frontline service worker
FLSWs	Frontline service workers
FLSW actors	Refers to customers and FLSWs, based upon the theoretical assumption that they are both stage actors
FY	Financial year
ICT	Information and communication technology
"Lone working"	When a FLSW is required to work alone in a store
LPT	Labour process theory
NFC	National fulfilment centre - a "direct to customers" dispatch centre
Peak	Refers to high points in the annual trade cycle; June-July and mid-November to the Christmas holidays
PLC	Public limited company
POS	Point of sale - A price ticket with product information
SVM	Shareholder value maximisation
USP	Unique selling point
VPB	Virtual post-box, an anonymised Q&A between management and staff
WC	Wine Corp, the case study organisation
WCR	Wine Corp retail, the largest division of the business, comprising the store network
Webstore	The online order management software used in stores
Key people	
JS	James Smythe, WC CEO 1992-2008
DM	Dan Mitchell, WC CEO 2008-2015
Doug	Doug Slazenger, Regional Manager, Region X, 2009-2016
LF	Lyle Fisher, WC CEO 2015-Present

Key definitions

Key terms are defined throughout the thesis, as they become significant. Three definitions should be clarified out at the outset:

- (1) Frontline service work – My definition has three components (a) it involves working directly with customers; (b) it a subordinate position in an employment relationship; (c) it involves *simultaneous* production and consumption.¹

Frontline service work is abbreviated as FLSW, as mentioned overleaf. The abbreviation is also used for frontline service worker.

- (2) Management – Parker (2002: 6-9) identifies three definitions of “management.” I align with his first: “[a] group of executives directing an industrial undertaking.”

- (3) Customers – A dictionary definition typically has two components: (1) “a person who buys good or service from a shop or business”² and (2) “a person of a specified kind [e.g., “tough customer”/“nice customer”] with whom one has to deal.”³ The difference between those two definitions is actually important to this thesis, as will be explored in Chapter Seven. The point I make therein is that customers are *individuals* (as per definition one) who conform to *types* along a social spectrum (as per definition two).

¹ Adopted from Belanger & Edwards (2013: 435) and Korczynski (2002: 4-7).

² <https://en.oxforddictionaries.com/definition/customer>

³ *Ibid.*

CHAPTER ONE: INTRODUCTION

This thesis is a story of stories about frontline service work (FLSW), and they each revolve around an organisational actor called “Wine Corp.” This is a pseudonym, as is the case with all actors who feature throughout.⁴ As the name implies Wine Corp (WC) is a product specialist that operates in the retail sub-sector of the UK service economy. When compared to the behemoths that continue to dominate wine retail (the “big four” & “super discounters”) WC is a small enterprise - a blip on the “average wine drinker’s” radar. Yet it is far from small, employing over 1,500 people across a network of 200+ “bricks-and-mortar” outlets and generating over £400m in annual sales. This makes it one of the largest and most influential wine specialists in the UK, even if its market share remains small compared to well-known retail generalists. Its influence is reflected in the fact that it receives considerable attention in trade publications, with its every strategic foray picked over by the industry’s “commentariat.”⁵ The same has been the case with City analysts given that WC has been a public limited company (PLC) since the mid-1990s, when its shares were listed on the London Stock Exchange.

A decision to tie WC’s fortunes to those of “The City” fired the starting gun on a subplot that makes the telling of WC’s story an important endeavour, alongside a number of other factors. In the first instance WC is worthy of attention because it is a large FLSW provider, employing roughly 1,000 people in stores throughout the UK. None of these people are “back office” because WC was built upon a “lean functional flexibility” model, where “everybody does everything” in a HR system reliant upon a small number of skilled FLSWs. Given its deployment of *quality* not *quantity*, WC developed a system of mass graduate recruitment as a solution to its labour and skill requirements. Such a scheme is rare to my knowledge, making WC an interesting locale to develop an understanding of graduate’s early career options in the UK labour market. Another noteworthy characteristic of WC is that it occupies the “mass-customised” middle-ground between elite merchants at the quality end of the market and “mass-service” providers of “cheap plonk” at the other end. It therefore provided an interesting test case to explore important theoretical insights such as Frenkel’s (2006)

⁴ The only exception is “household name” competitors. The agency of key competitors is central to the story so I viewed it as important to identify them for “cross-validation” purposes.

⁵ I use this term as reference to a class of professional media commentators.

conceptualisation of a customised “middle ground,” and Korczynski’s (2002) “customer-oriented bureaucracy.” Both speak to the challenges of managing tensions between costs and service quality.

Retail in the UK

Retail is big business; in the UK alone it contributes £194 billion to economic output according to a recent Government report, 11% of the total.⁶ The sector has also outperformed in the aftermath of the Great Recession (2008), growing between 1-2% per annum whereas the rest of the economy grew between 0-1%.⁷ Its importance has therefore grown throughout the last decade. Adding to its significance it employs 4.6 million people in the UK which is 15.2% of total employment. Put another way, retail employs more than 1 in 7 UK workers making it the largest sector of private employment.⁸

Its quantitative significance alone should provide ample justification for scholarly interest in retail and FLSW, the sector’s public interface. If further justification is necessary though, it should be emphasised that this sector and type of work has piqued the interests of those engaged in range of socio and cultural debates. For example, “cultural turn” and “post-structural” scholars have made service sector work and experiences a focal point of their argument that Western societies have transitioned from “production centric” to “consumption centric” (see Bauman, 1998). In relation, an interesting thing about FLSW is that production and consumption occur *at the same time* and in the case of “brick-and-mortar” retail, *in the same space*. Another argument that has gained traction in the “consumer age” is that brands have become increasingly important as facilitators of individuality, meaning and identity formation (see du Gay, 1996; Klein, 2000). Retail matters as a re-seller of brands and as a “brandscape” (Lloyd & Payne, 2014) in its own right.

⁶ Rhodes, C. Brien, P (2018) *The retail industry: statistics and policy*, House of Commons library: Briefing paper 06186.

⁷ *Ibid.*

⁸ *Ibid.*

A key debate that these propositions allude to is whether and to what extent a general shift towards an economy and society oriented around the production/consumption of *services* rather than *goods* is qualitatively distinct from prior eras. A conjoined question is whether this pattern represents progress towards a utopian “better world” or is actually spawning a dystopian reality of hyper-surveillance and “post-structural” controls? Furthermore, does the presence of the customer liberate or further subjugate FLSWs, or is their presence actually of little consequence because “monopoly capital” continues to govern shop floors irrespective of sectoral nuances? (Burawoy, 1979 & 1985) As Deery et al. (2002) have observed the shift to service work in service economies is not in any doubt. What is contested is the meaning of that change and how it can be conceptualised.

Research agenda

Given its qualitative and quantitative significance it would be reasonable to expect FLSW, retail and *FLSW in retail* to receive a lion’s share of scholarly attention in business schools and industrial relations departments. Unfortunately there is little evidence that this is the case – in fact, there seems to be consensus that both are *underrepresented* in light of their significance (Bozkurt & Grugulis, 2011). For instance, Kerfoot & Korczynski (2005) have argued that service work is relatively under-researched and marginalised in mainstream discourse on modern economies.

Extra attention seems long overdue but the right kind of attention is also required. On this I wish to make two points. Firstly, in my view some degree of academic tribalism has got in the way of theoretical development on the subject matter. Debates over service work have sometimes resembled a stag rut between celebrants of different schools of thought, with the primary concern being to illustrate the supremacy of their ideas over others. There is a danger then that theses become more about theoretical minutia than the thing(s) they proclaim to speak of.⁹ Following Korczynski &

⁹ Thompson (2009) and others have made the same argument concerning the “labour process theory debate,” which shifted emphasis towards the subtleties of abstruse theoretical foundations and away from the empirical domain. Parker (1995) has expressed similar concerns that relativism has stood in the way of constructive theoretical engagement based upon moral and ethical positions.

Macdonald (2008) I am of the view that bridge-building is likely to prove most fruitful in developing insights into FLSW. Throughout this thesis I do articulate points of disagreement but also seek to highlight the value of work that I fundamentally disagree with. Thus, within the limits of ontological consistency I have approached my research with an agnostic view of “right” and “wrong.”

Moving from theory to empiricism, much of the research in the sector is based upon “snapshots” from “outsider” perspectives (Ashforth & Humphreys, 1993). Whilst this may be appropriate for certain lines of enquiry there are others for which it seems particularly ill-suited (*ibid.*). The study of normative work cultures springs to mind as an example, because the remarkable in the unremarkable may be difficult to access without up-close study and reflexivity over time. Questions concerning “organisational behaviour,” the nature of management practices and work experiences also seem like apt candidates for an immersive long-term approach. Without this, it is difficult to establish whether findings and analyses are true reflections of the case or true reflections of the snapshot.

The timespan of my research was ten years¹⁰ - a period of such duration that time itself became revealed as a force and factor in shaping management’s behaviour and FLSWs’ experience. To build upon this discovery I opted to dig deep into the organisation’s history (see Chapter Five), so as to better explore how oft-forgotten constraints and opportunities of the past framed present-day agency. Chapter Six focuses on the last decade of the organisation’s journey and the experience of FLSWs throughout. This chronological approach helps to unlock links between cause(s) and effect(s) at different levels of abstraction (macro, meso, micro) that are difficult to support without rich longitudinal data.

My research question and research design fused a number of aspirations. My core aim was to elucidate a better understanding of the experience of FLSW in a setting that is qualitatively distinct from the “big box” cliché, which is comparatively well researched (Lloyd & Payne, 2014). Is large scale “mass-customised” FLSW “good work” and if so,

¹⁰ Three of these years were formal research. In other years I gathered data informally as a full participant in the setting.

what makes it good? If it fails to live up to that billing then what forces and factors prevent it from doing so? Also what are the respective roles of management, customers and co-workers in all of this? Lastly, how can behaviour and experiences within FLSW be explained in terms of *what really matters* and *how it really works*? (Watson, 2011)

As is no doubt apparent my research agenda was ambitious so the focus inevitably had to narrow as the fieldwork unfolded. In this I abided by a general principle of ethnography - my research method of choice – that the researcher starts out with broad interests and narrows it on a rolling basis. This was my intention but as the research developed and story unfolded, I became only more determined to retain as broad a research question as possible. To me what made the data and case fascinating was the emerging connections between “big” and “small,” by which I mean local (micro), institutional (meso) and national (macro) forces and factors. Narrowing the focus to a given actor (e.g. FLSWs) or relationship (FLSW-customer) may have precluded broader exploration of how an “ensemble cast” of people and parts intersected to produce and reproduce the phenomena under study. In light of this my research question became:

What are the forces and factors that shape the experience of FLSW in Wine Corp?

Structure of the thesis

The following chapter provides an analysis of some of the most important conceptual developments and theoretical debates concerning FLSW. The main objective is to articulate distinctions between influential theorists or schools of thought from which I take my cue. A secondary objective is to identify space for an original and worthwhile theoretical contribution to knowledge. Chapter Three pursues a similar objective - albeit, with a view to the identification of empirical opportunities rather than theoretical ones. Chapter Four then sets out how I have sought to construct my research with a view to optimising the value of output whilst minimising inherent methodological

limitations. At this point I introduce critical realist philosophy (CRP), because it reflects my ontology and underscores my theoretical contribution as presented in Chapter Nine.

As mentioned above, two of the four data chapters tell the chronological story of WC's development and modern eras. The first of these (Chapter Five) is the "origin story" of the case study organisation. What makes it interesting in my view is that it tells several interlinked stories of social, economic and cultural change that constrained and enabled agency amongst the visionaries who founded the company. WC is shown to be a product of these particular people and circumstances. Chapter Six is split into two parts. Part A tells the story of the next stage in WC's lifecycle when a second generation inherits the management reins. Taking over in 2008, the timing could have barely been more fortunate because the Great Recession ravaged the sector and left WC the "last man standing." Due to this the "second generation" were handed an opportunity to solidify WC's domination of the middle ground that could fairly be described as "once in a lifetime." Rather than seize that opportunity though, management focused on squeezing every last drop of potential profit out of it. Chapter Six Part A examines how and why this "alternate history" played out and with what effects. Chapter Six Part B then tells the story of a new regime that was brought in to "reboot" WC when powerful behind the scenes actors finally lost faith in the second generation. To stall relative decline, a "rock star" CEO was installed with an impressive entrepreneurial résumé and an inspiring "everybody wins" stakeholder/sustainability rhetoric. His experiment with an alternative approach failed and FLSWs found themselves going "back to the future," experiencing a pincer movement of renewed cost-controls and technocratic "empowerment" that was anything but empowering.

The next two chapters depart from the pattern of chronological analysis by synthesising specifics concerning the organisation of WC FLSW (Chapter Seven), and the experience of it *per se* (Chapter Eight). The former is effectively a bridge between Chapters Five and Six and Chapter Eight, in that it elucidates the labour process and control systems that have resulted from past and present managerial discretion. Another aspect of Chapter Seven is that it seeks to develop an understanding of the situated role played by *people* (acting as customers and colleagues). It is established that social relations are inextricably linked to the experience of FLSW in WC, whilst these are

linked in turn to the design of the labour process and management's attempted interventions. Chapter Eight takes the analysis one step further by seeking to clarify the impact of work design on satisfaction. To this end management's survey data is used to clarify the positives and negatives of WC FLSW. The data reveals that FLSW social relations represent a highly valued dimension of the role. It also reveals that social relations could be a major impediment to positive experiences of WC daily life. With this in mind, the final section of Chapter Eight seeks to explore how and why certain FLSWs act and affect others as they do. The effects of these "enemies within" are examined via case studies of two individuals who put the nature of normative deviance into sharp relief.

Chapter Nine contributes my analytical framework of *amphitheatrical relations*. Its value stems from its capacity to house different levels of analytical abstraction within a simple consolidated model. In doing so it provides a theoretical construct apt for the separation of people and parts, places and spaces which I believe is necessary for a valid understanding of the layered phenomena under discussion. Equally important in my view is the CRP concept of *anteriority*, which I deploy in Chapter Nine as a means of establishing links between past and present. My chronological data presentation illuminates both agential and structural dimensions of the calcifying process that anteriority implies.

The final chapter provides a short summary of the main arguments alongside a reiteration of my take on the value of the contribution. The limitations of the study are addressed and I set out suggestions for a future research agenda. I also return briefly to some of the themes from the literature review that were side-lined in Chapter Nine so as to maintain topical focus.

CHAPTER TWO: A REVIEW OF THEORY PERTAINING TO FRONTLINE SERVICE WORK AND A PROPOSAL FOR CONCEPTUAL DEVELOPMENT

Introduction

The value to be gained from further attempts at unveiling the nature and experience of FLSW is one of the few sentiments commentators share. Some have argued that conceptual development has not kept pace with newly gleaned empirical insights (Korczynski & MacDonald, 2008). Others have argued that conceptual developments have not kept up with FLSW's cultural and economic importance in advanced societies (Allen & du Gay, 1994), at least until recently.

The most compelling opportunity for novel insights into FLSW resides in a three-tiered analysis of social relations at the point of production/consumption. What this means in practical terms is that the experience of FLSW is synchronously examined with a view to unearthing (1) the influence of broad socio-economic and cultural forces; (2) the institutional factors that shape labour processes within specific environs; and (3) the interpersonal and intrapersonal behaviour of *people* within domains of service provision. Thus the objective is not to elevate one tier of analysis over another but rather, to examine the interplay - as well as the limits - imposed by forces and factors inherent to different levels of causality. A primary aim of this chapter then is to illustrate the strengths and weaknesses of theoretical treatments at different levels of analysis, in order to illustrate the potential for a contribution based upon critical realist assumptions.

To begin to develop this perspective, the following literature review charts a course through significant conceptual innovations centring upon FLSW from the 1980s onwards. The emphasis of major works throughout this period has been twofold. Firstly, they have sought to extend debate over the extent to which FLSW differs in style or substance to manufacturing work (Allen & du Gay, 1994). Secondly, they have sought

to synthesise the qualitative significance of the service sector's rise to pre-eminence in Western economies.

Section One of the chapter will start with a discussion of Hochschild's *emotional labour* thesis given its significance in shaping debates over FLSW. A summary of her contribution will be followed by discussion of the work Erving Goffman, bearing in mind the influence of his interactional analysis upon Hochschild's conceptual framework. Whilst Goffman's pre-occupation with the "interaction[al] order" embodies titular connection to interactional service work, I will argue that building upon his legacy does not necessarily mean the micro-analysis of situational encounters. Goffman's final essay spoke of the "loose coupling" between macro structures and the "interaction order" that he failed to explore himself in the latter stages of his career. That said, his earlier publications provided posterity with a conceptual superstructure that offers considerable scope for organisational analysis.

Section Two re-focuses upon service work theory specifically, as conceived by those who may loosely be described as "cultural turn" or "linguistic turn" theorists. One of the most important shapers of the UK debate has been Paul du Gay, so his work and guiding assumptions will be discussed in detail. This will be followed by a review of work based upon alternate assumptions *vis-à-vis* the forces and factors that guide FLSW experiences. Thus, within Section Three *people* and *parts* are emphasised - with some accounts focusing upon the role play of human actors and others, focusing primarily upon contradictions and limits imposed by structural formulations. Important distinctions will be articulated between these accounts and those presented prior.

The same basic questions will be posed of each perspective: what comparative advantages do they offer in explaining the phenomena under study in a more comprehensive way, and what tools do they offer for contemporary development? As Thompson (2009) argues, these are the arbiters of good theory. It will be concluded that considerable scope remains for a credible alternative perspective on the experience of FLSW, one that incorporates bridge-building (between pre-existing concepts) and a dose of "sociological imagination" (Korczynski, 2008: 78).

Section One: Emotional labour in everyday life

In the opening sections of *The Managed Heart* Hochschild develops an analogy of continuity and change in early and late capitalism (2012: 3-9). To illuminate the former she draws on a poignant example from *Capital*, where Marx observes a boy repeating the same monotonous lever-pulling procedure for twelve hours. By engaging in such an act the boy was enabling the commercial exploitation of his body, whereby control over its use is surrendered in exchange for pay. The key difference for Hochschild between this experience and those typifying late service capitalism however, is that emotional labour is *also* normalised as a commodity for FLSWs.

Hochschild's opening homage to Marx distils the key theme of her work - the exploitative nature of the Western capitalism. Whilst on the surface the labour of an American airline attendant may appear to have little in common with that of a factory worker in Dickensian Britain, they are united by the common thread - the selling of their human capacities as labour power.

What separates them are the specific capacities they are required to sell. Whilst the boy is selling his physical capacity, his mind, thoughts and expressions remain his own. It does not matter what he thinks (or seems to think) about pulling the lever so long as he turns up and does it. The same may not be said for the airline attendant, as she is expected to enact her physical capacities in a way that projects positivity. The implication is that contemporary FLSWs are estranged from their feelings *and* their actions as part of the production process. Macdonald and Sirianna (1996: 4) articulate this contrast:

“The assembly-line worker could openly hate his job, despise his supervisor, and even dislike his co-workers, and whilst this might be an unpleasant state of affairs, if he completed his assigned tasks efficiently, his attitude was his own problem. For the service worker, inhabiting the job means, at the very least, pretending to like it, and, at most, actually

bringing his whole self into the job, liking it, and genuinely caring about the people with whom he interacts.”

The forgoing analogy pertains to a key distinctive feature of FLSW: the presence of the customer at the point of production. Whilst the young boy described above enjoyed degrees of spatial separation from end users, modern FLSWs have to deal with them directly. Consequently there is no clear distinction between the service provided and the manner in which it is provided, making performances a part of the product itself (Urry, 1990). Given the socio-economic significance of quality and brand in late capitalism (see Klein, 2000), performative “emotional labour” has become a contested terrain between management and employees.

Hochschild defines emotional labour as *“the management of feelings to create a publically observable facial and body display ... [which] requires one to induce or suppress feelings in order to sustain the outward countenance that produces the proper state of mind in others”* (2012: 7). In practical terms this involves regulating behaviour in accordance with the perceived desires of customers at management’s behest, meaning that FLSWs are pressured to suppress their feelings in commercially advantageous ways.

The chasm between “emotion work” (i.e. private acts with *use value*) and “emotional labour” (public acts with *exchange value*) is bridged by “transmutation” (p.19) the author continues. This refers to corporate attempts appropriate exchange value from use value, by artificially inseminating FLSW with bundles of cherry-picked qualities that are otherwise deployed at the individual’s behest.

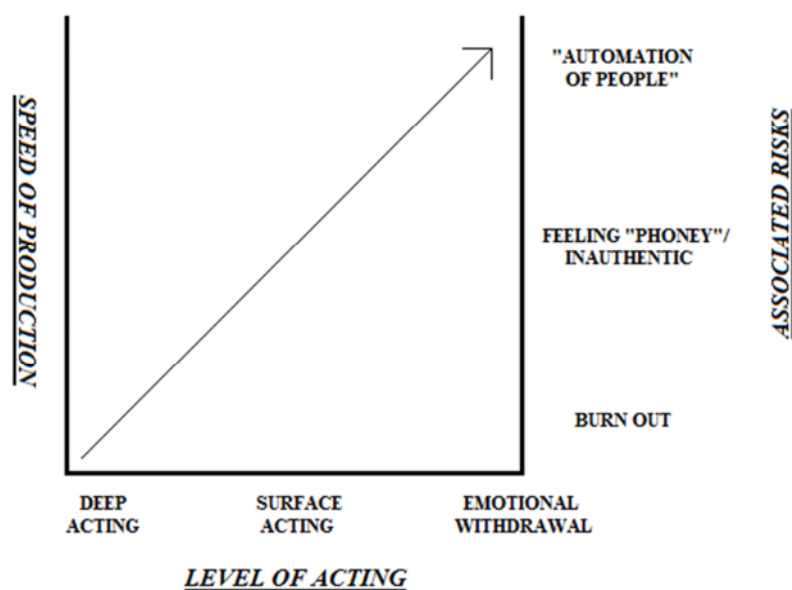
In wider society there is nothing new in the expectation that individuals will fine-tune their behaviour in accordance with display rules. What is new is management’s systematic attempt to top-down engineer the embodiment of FLSW from afar. As Hochschild (2012: 194) surmises *“we have carried our ancient capacity for gift exchange over a great commercial divide where the gifts are becoming commodities and the exchange rates are set by corporations.”*

2.1.1. Implications of the managed heart

The argument above carries myriad implications relevant to both FLSWs and wider society. In her assessment of the effects of emotional labour upon FLSWs Hochschild theorises three “stances” (2012: 188 – see Figure 1), each with differing psycho-social consequences. One such stance was fundamental identification with the role, whereby the individual became immersed to a point where they cease to recognise a distinction between self and outward projection. At the other end of the spectrum were the conjurers of illusion, who positively perceived of themselves as little more than the thin line between fantasy and reality. A final stance rests between the two, with the worker neither fully investing nor separating from the role.

Each of the stances bears different risks; the wholehearted identifier is susceptible to burn out, because their personalised investment renders them especially vulnerable in the face of mistreatment. Detachment and distancing reduces this risk but exacerbates others, like feelings of being fake or robotic.

Figure 1: Hochschild’s three stances and their outcomes¹¹



¹¹ My evaluation of Hochschild’s three stances (2012: 186-189).

This de-humanising aspect puts into sharp relief how FLSW (as with manufacturing before it) has become subsumed into the logic of mass production; albeit, in the case of FLSW the assembly line has moved “inside the head” (Taylor & Bain, 1999). Given its ensnaring character, Hochschild argues that emotional labour carries the risk of interfering with vital cognitive systems by nullifying or quashing actors’ capacity for authentic feelings.

As for wider social effects, two are particularly relevant to the present discussion – one economic and one cultural. The former centres upon a paradox of emotional labour; that an inverse relationship can exist between the emotional content of work and material rewards. In general the more a job involves public communication the less well paid it is (Hochschild, 2012: 202), opening up important questions about how and why the value ascribed to these roles is so low. Hochschild does not address this in any depth, only observing that disadvantaged groups are disproportionately concentrated in the sector. She also argues that macro-economic factors including globalisation and late capitalists’ focus on profits conspire against FLSWs’ interests.

The second effect of the omnipresent managed heart is an equal and opposite fetishisation of natural feelings and spontaneity, i.e., the *unmanaged* heart. Apparently the shackled nature of interactions within Western society has underpinned a countervailing yearning to be “free.” A premium is therefore attached to authenticity, which perversely is appropriated by corporations and fed into the policies that govern FLSW. Hence, in some instances the corporate response to these yearnings has been to invite employees to think and act *outside the box* - provided that is, they confine themselves to the bigger box.

2.1.2. Managed heart: Impact and issues

The academic influence of the *Managed Heart* may be attributed to a number of factors. An important one is timing; being published during a period of significant socio-

economic change and conceptual development. Her thesis captured the *zeitgeist* of the moment whilst expanding upon celebrated works of the prior generation, especially Goffman (1959) and Braverman (1974). To the former's account of everyday performative norms she added subtext on the confluence of pressures that direct them within corporate life. To Braverman's influential work she contributed a conceptual framework to explore the psychological frontier of the changing nature of work.

However arguably, a problematic issue with Hochschild (2012) is that she does not go far enough in examining the political factors and power imbalances that shape the phenomena she describes. It is ironic that she embarked on a journey to progress the work of Braverman but neglects a key theme – that being, the *extent* and *nature* of management control. Her most noteworthy contribution to control debates is to suggest that it “boils down to practical politics” (p.189). This fails to acknowledge the myriad forces and factor that shape management's agency (e.g. ideology, authority and legitimacy, and placement within wider power relations).

If the forces that act upon the employment relationship “from without” is under theorised then the same may be said of resistance within (Bolton, 2005). Hochschild does discuss things that may be termed “resistance,” describing for example the negative effects of intensification and role contradictions within her case study. However, she fails to adequately connect these observations to the broader context of social relations at the point of production. Thus, it is argued that she tacitly accepts compliance and Western “market-led capitalism” (Coates, 2000: 244), as the normal state of things.

Her focus on emotional labour would have been well complemented by a deeper analysis of routine day-to-day behaviour (Korczynski, 2002). The role of the “stage” itself is understated, as is the role of “props” (i.e. work systems) in mediating FLSW relations (see Goffman, 1959). Chapter Nine of this thesis serves as a corrective by giving equal billing to the stage and wider socio-economic relations (the “amphitheatre”) in the production of FLSW experiences. Such a framework better

enables analysis of the frontier of control (see Batstone, 1988; also Leidner, 1993) and the interplay between people and parts (i.e. systems and structures). It also allows for clearer analysis of the blurred boundaries between actors and roles, social experiences and work experiences (see Bolton's critique of Hochschild – Chapter Nine).

A final related issue is her treatment of personality, which she effectively folds into her concept of emotional labour thereby conflating the two (see p.xvii & p.185). A more promising position is to conceptualise personality as a *partially* intransitive set of traits and attributes, which independently intersect with other forces and factors to shape the experience of FLSW. The significance of this theme will be developed in Chapter Eight.

2.1.3. Goffman's influence

Hochschild's main focus was upon the interactional interface of flight attendants' FLSW experience, with a view to the emotional impact of being the performative face of a commercial entity. Her indebtedness to Erving Goffman is explicated in the appendix to the 20th anniversary addition of *The Managed Heart* (2012, pp.221-232), where she described the value of Goffman's insights as they related to her case. In particular she highlighted how Goffman's detailed analysis of affective deviants enabled her to "prove the rule(s)" that governed the social space under her microscope. One of Goffman's chief concerns was the interactional means by which social solidarity was attained and maintained and a point that Hochschild developed is that such an accomplishment was *hard work* for her cohort. Each situation "taxes the individual" according to Hochschild (2012: 224) and the affective deviant was "one who tries to avoid paying these social taxes." As was set out above conformity and compliance was the "normal" response, albeit with varying degrees of commitment. Her analysis of "role distancing" and "close identification" (as coping strategies) clearly ran in parallel with Goffman's (1959, 1961) categorisations.

Hochschild also drew attention to the limits of Goffman's sociology though, laying emphasis on two critical points. Her first concern was the lack of structural connections

between the wide range of social situations that Goffman analysed. She argued that for Goffman “*social structure ... is only our idea of what many situations of a certain sort add up to*” (p.225). This supposed lack of emphasis upon institutions and their supra-situational effects is a touchstone of dissent amongst Goffman’s critics (see especially Gouldner, 1971). Even amongst scions of the “Chicago School” there was a sense that Goffman had over-laboured the minutia of face-to-face encounters at the expense of developing broader connections. As Blumer (1971¹²) notes:

“He has limited the area of face-to-face association with a corresponding exclusion of the vast sum of human activity falling outside such an association. Further he confined the study of face-to-face association to the interplay of personal positioning at the cost of ignoring what the participants are doing.”

Hochschild’s second reservation was Goffman’s dismissal of the notion of an “inner self” – that is, individual psychology that exists autonomously of socialisation processes. According to Hochschild this treatment rendered actors as passive co-producers of social orders rather than as heterogeneously active agents. To support her position she cites Goffman’s (1967) oft-quoted remark that his work concerned “*moments and their men, not men and their moments.*” She also points to the passive language used by Goffman in his description of actor’s behaviour, drawing examples from *Encounters* (1961). The significance of this to Hochschild was that Goffman’s “two selves” thesis¹³ did not allow for “deep acting,” as this state of play requires a depth of conscious engagement that failed to resonate with Goffman’s passive representations.

Even celebrants of Goffman accept that he exhibited some degree of wilful ignorance in relation to the nuances and idiosyncrasy of individual’s mind spaces. In a sophisticated and otherwise favourable review Scheff (2000: 3) remarks:

¹² Cited in Williams, 1986, p 350. See references.

¹³ Official self and performing self – see Goffman, 1959 in references.

“I think that [Goffman] was prejudiced towards individual psychology, entrapped in a way that was quite similar to his fellow Americans... Goffman rebelled against most of the dominant institutions, but not against the bias in social science and society against the psychology of individuals.”

Such claims are difficult to dispute given the bombastic language that Goffman used to dismiss the significance of individual psychology. He mocked the tendency of sociologists to treat “personal” matters as sacrosanct because in his view, whatever inner realm existed was fundamentally a social derivation. Hence Goffman saw no need for the *“touching tendency to keep part of the world safe from sociology.”*¹⁴

2.1.4. Goffman’s journey and his critics

Something that goes undisputed is that Goffman’s sociology began and ended with the study of the “interaction order.” This was the term he used to express his objective of examining and explaining aspects of face-to-face relations sociologically (Smith, 1999). His licence to do so was granted on the basis of interpersonal encounters being socially organised and therefore amenable to systematic social study (ibid; see also Goffman, 1983). Adding to their significance was the notion that face-to-face interactions represent the nexus point of social cohesion. In Goffman’s eyes any and all forms of human organisation are mediated and made possible by mundane communicative performances in everyday life (Manning, 2008). By implication, an understanding of working consensuses and social orders must be grounded within the social situations in which they are achieved.

For Goffman social order was a precarious and fragile accomplishment exactly because it is pursued through interactional processes. Of particular importance was the process of social validation that underscored everyday exchanges, where initiators selected performances in anticipation of certain responses and then moderated them in light of

¹⁴ Goffman 1961a, quoted in Smith 1999: 10.

actual responses (Manning, 2008). Much of Goffman's analysis chronicled and categorised everyday behaviour with a view to demonstrating (a) the sensitivity of actors to minor deviations from expected conduct and (b) the trans-situational resonance of normative expectations (Fine & Manning, 2000). In terms of the latter Goffman was especially animated by opportunities to conceptualise daily life as a "ritual order" whereby societal beliefs are affirmed, encoded and reified (Williams, 1986).

Much of the criticism of Goffman's work pertains to this self-acknowledged "bracketing" of his domain of enquiry. Giddens (1998) for example conceded that Goffman reigned supreme as an analyst of the communicative space that linked individuals and macrosocial structures. He nonetheless chastised Goffman for focusing upon this narrow domain to the extent that he neglected equally sophisticated analyses of the people or things the "interaction order" connected together. At the people end of this spectrum, some have argued that a core constituent of Goffman's analysis was something of an "everyman" in a continuous state of hypersensitivity (Scheff, 2000). In relation, Goffman's position that certain individuals were not significantly more or less able and willing to satisfy the expectations of others (based upon traits unique to them) perhaps stretched credibility.

Two further criticisms are worthy of note. A common position on Goffman is that he was at best unclear on the three main pillars of social science; those being, data collection, analysis and theory generation (see Williams, 1986). It did not help that Goffman started afresh to a significant degree with each major work and as consequence, failed to build momentum towards a body of replicable methods and modes of analysis. The closest he came in this regard was Frame Analysis (1974) which was a decade in the making. The meaning of this text remains a matter of debate, as is discussed below.

A second key reservation of Goffman's critics was that his micro-interactional emphasis detracted from an institutional-level gaze upon which such things as hierarchy and power manifest themselves. Along these lines Gouldner (1971) has proven one of Goffman's most fervent critics, arguing that by ignoring social structures and

stratification Goffman simply aides in their perpetuation. This impression has led some (e.g., Dawe, 1974) to argue that Goffman was a conservative – in other words, he had little interest in progressive change. Others have argued that Goffman lacked a theory of agential change which is ironic given his explicit focused upon the supposed epicentre of social order's maintenance. By Goffman's logic *disorder* and change must emanate from the same social situations that breathe life into order and continuity.

Whilst some of these claims are contested (as I will discuss next) there is an acceptance amongst Goffman's supporters and advocates that his analysis was ahistorical in nature. To focus on the situational and episodic inevitably meant decentring legacy effects and the institutional bedrocks in which they reside. To make this point Gouldner (1971) used the example of modern mass bureaucracies, over which individuals have little power or influence. Such impotence (as "cogs in the machine") damages self-worth according to Gouldner (ibid), and orientates actors' performances towards the specific end of *impressing management* rather than a general end of impression management. This is an important observation, in that it opens up a question of whether Goffman's toolkit could explain behaviours and experiences in large capitalistic enterprises. Hochschild did not believe this to be the case, so drew upon Braverman (1974) and the Marxian tradition to explore the distinctive features of capitalism and profit-pursuant organisations.

2.1.5. In Goffman's defence

To risk over-simplification one could argue that there was an "early" and "late" Goffman, with the difference being degrees of emphasis upon micro-social analysis. Smith (1999) traces the narrowing of focus to the late 1960's, during which time "the situational concerns of his early writing are deepened" (p.3). As a by-product, Goffman's early emphasis upon the wider structural formations that constrained actors in situational exchanges took a backseat. Nonetheless, defenders of Goffman's legacy draw upon his earlier works to rebut claims that he was prone to interactional reductionism. Manning (2008) for example highlights how Goffman kept "twisting" his analysis in *The Presentation of Everyday Life* (discussed further in Chapter Nine) towards wider frames comprising technical, political and structural elements *as well as* dramaturgical ones. *Asylums* (1960) is perhaps the best example of Goffman bringing

the “frame” into the foreground. In doing so he provided a vivid account of how structures (both physical and managerial) and ideology combined to constrain and shape behaviour and experiences amongst inmates under study. Resistance was depicted therein as a rational and normal response to the limits imposed by rules and procedures within “total institutions.” Here Goffman’s analysis had much in common with Foucault’s work on similar environments; especially the latter’s conceptualisation of resistance as something that exists in a binary constitutive relationship with power.¹⁵

With due consideration of his early works it seems reasonable to argue that it is unfair to tarnish Goffman with a micro-reductionist brush. There also appears to be adequate grounds to contest claims that Goffman was not interested in such things as power, hierarchy and social stratification. As an indicator of latent concern, one of Goffman’s (1951) earliest essays explored the symbolic resources drawn upon to differentiate actors and demark social rank. This illustrates concern in - and awareness of - social stratification even if it was not an overt or primary theme in his later work. As Williams (1986) argues Goffman did not ignore structures but rather failed to “*attend to any specific type(s) of institution in great detail.*”

Curiously, in his final essay Goffman returned the theme of structural effects and sought to clarify his view of their relationship with the “interaction order.” He stated his position as follows:

“...what one finds in modern societies at least, is a non-exclusive linkage - a ‘loose coupling’ - between interactional practices and social structures, a collapsing of strata and structures into broad categories, the categories themselves not corresponding one-to-one to anything in the structural world, a gearing as it were of various structures into interactional cogs ... a set transformational rules, or a membrane selecting how various externally relevant social distinctions will be managed within interaction.”

¹⁵ Foucault (1991) – See references.

Perhaps frustratingly, Goffman follows these remarks with a list of examples and benefits of a “loose coupling” approach rather than ruminating over the epistemological implications in explicit detail. What seems clear however is that Goffman rejects any form of structural or agential reductionism or determinism. The two are deeply interwoven according to Goffman whilst the specific phrasing “*a gearing ... of various structures into interactional cogs*” suggests that the former (structures) precedes the latter (interactions). This would fit with Gonos’ take on *Frame Analysis* as well as Barley & Tolbert’s (1997) proposal for institutional analyses - as discussed in the next section. At the same time structures and interactional orders are (or at least can be) substantively detached from one another, as the term “*loose*” implies. Perhaps then it behoves the researcher to explain how and why “*couplings*” are more or less “*loose*” in particular contexts.

2.1.6. Reading Goffman and following in his footsteps

According to Gonos (1977) Goffman set out his position on the structure versus agency schism some years earlier in *Frame Analysis*. As mentioned above this was Goffman’s long-percolating attempt at explaining “*the structure of experience individuals have at any moment of their lives*” (p.13). Gonos (1977) argues that the dual concepts of “frame” and “situation” represent distinctly pitched lenses for the analysis of experience. The former speaks to systems of governance (i.e. structures) that precede and constrain actors, whereas the latter speaks to Goffman’s conventional concern with the interaction order. What Goffman may be inviting then is a simultaneous analysis of situations *within* frames so as to understand the phenomena under investigation. The caveat that he later adds is that frames and situations (and therefore experiences) may only exhibit “*loose couplings*,” although it should be noted that he was talking about society *in general*. It appears self-evident that agents are limited to greater extent in say, total institutions than in “normal” society. In accordance, it stands to reason that the same applies to less total institutions such capitalist enterprises and their labour processes.

Those who have followed in Goffman's footsteps in service work domains have tended to continue with the study of the "interactional order" as it relates to their particular "situations." Examples include Manning's study of police work (2003), Oakes' (1990) study of insurance agents and Miller's (1964) study of car salesmanship. Each of these draw upon Goffman's theatrical metaphor (Goffman, 1959 – see also Chapter Nine), but mainly focus upon the interactional order as Goffman did. What this precludes and neglects is a more structurally-orientated analysis that makes broader use of Goffman's "analogical superstructure" as Fine and Manning (2000: 468) eloquently refer to it. Failing to do so meant failing to pursue something that Goffman hints at in *Frame Analysis* and his remarks above. Manning (2008: 679) senses the opportunity in his interpretation of *The Interactional Order* (1983 – as quoted above):

“[Goffman] asked what made possible the sometimes orderly interaction he found so engaging. That which is found on the surface was made possible by something else. It is the ‘something else’ that is the heart of sociology and arguably the heart of organisational studies?”

One implication of these remarks is that it is not entirely clear what a continuation of Goffman's project should look like. Is a matter of “doing as he did” or “doing as he said?” Neither presents a straightforward proposition because what he did and said remains a source of debate. Scheff (2000) and Williams (1986: 679) both observe that there is no “generally sanctioned” reading or interpretation of Goffman, which make his work a source of irritation and fascination according to the former. It may be the case that a lack of clarity combined with the lack of a roadmap for data collection, analysis and theorising explains the failure of mainstream sociology to pick up where he left off (Manning, 2008). Major theorists including Hochschild (above), Giddens and Habermas developed their frameworks with Goffman in mind but cherry-picked substantive elements of his work (see Fine & Manning 2000).

To conclude this brief discussion of Goffman's work and legacy, it may be useful to re-appraise the common notion that he failed to provide posterity with a replicable method.

In the first instance Goffman was ever and always a qualitative researcher who relied upon the toolkit of ethnography. In his first major publication Goffman (1959) made clear inherent affinities between ethnographic method and his pre-occupations with self, performance and the cultural and social organisation of interaction. That said, the specifics of Goffman's approach do remain abstruse - even whilst scholars have suggested means of summoning his spirit. According to Travers (2000) Goffman's *raison d'être* was the "*unmasking [of] veiled orthodoxies wherever they were encountered.*"¹⁶ As Scheff further explains:

*"Goffman's method of investigation was to engineer a continuing clash between taken-for-granted assumptions in our society and his incongruous metaphors and propositions."*¹⁷

At its heart then, Goffman's analytical project arguably centres upon pulling back the veil of immediate reality in order to illuminate what lies beneath. An important aspect of this was to expose the dark side of institutional arrangements; contrasting the images they conjure with shadowy inner-workings that serve to maintain order. In pursuit of such an aim authoritative entities were deceptive at best and sadistic at worst for Goffman (see *Asylums*, 1960; also Williams 2008 for discussion), and his project often involved taking the side of the underdog. Thus, whilst the minutia of Goffman's approach may be little known and hard to replicate - there seems little reason to believe that institutional analysts cannot poke holes in the veneer as he did. Perhaps this is (or ought to be) the heart of sociology and organisational studies as Manning (2008) implies above.

In the Methods Chapter below I set out an analytical framework that I believe is best suited to the continuation of organisational studies in Goffman's tenor. What it also does is facilitate an adaptation of Goffman's "analogical superstructure" for the purpose of understanding what lies behind the veil of Wine Corp. Lastly, the critical realist framework I adopt is compatible with suggestions offered by the likes of Barley &

¹⁶ Quoted in Scheff, 2000, p.12.

¹⁷ *Ibid.*, p.7.

Tolbert (1997) for remedying some of the recognised limitations of Goffman's oeuvre. For instance, one of the suggestions they make for connecting structural webs to interactional orders is to focus upon "scripts" (behavioural regularities) that encode everyday experiences in a multidirectional and longitudinal dynamic. This will be the level at which my analysis is pitched, and what I have sought to argue here is that it represents a meaningful and valid way of taking forward Goffman's project. In what remains of this chapter I will discuss alternate theories and perspectives of FLSW that are instructive in the development of my research.

Section Two: Frontline service work in the cultural turn

Whilst most mainstream theorists of FLSW have sought to retain the analytical significance of material conditions and their effect upon social relations, others have called for a radical departure in favour of an alternate mode of thinking. Umbrella terms attributed to this disparate band of scholars include "*cultural turn*," "*linguistic turn*," *post-industrial* and *post-modern* theorists. There is considerable risk of terminological confusion here, made all the more complicated by the fact that theorists who have been attributed such labels tend to reject them (see for example Parker, 2002). That said, what this disparate band have in common is their fundamental rejection of entitative ontologies and epistemologies. Instead the subject of their gaze has become knowledge/power, subjectivity, identity and their formulation via discourse and "discursive structures." The implications of this conceptual break and its concomitant rejection of reality are highly significant to the present discussion.

Generally cultural-turn theorists embark by arguing that Western society has itself gone through a radical transformation, whereby it has ceased to be production-centric and has instead become consumption-centric (Bauman, 1998). In accordance identities have attached themselves to individuals' actions and activities as *consumers*, with a resultant diminution of work as the centre of gravity. A conjoined premise is that "subjectivity" has become the basis of capitalism and its reproduction (Thompson, 2009). As a consequence, objective realities emanating from such things as structurally uneven

distribution of power and resources have been denied or relegated to the margins of significance.

The nature of this culture metamorphosis means that it has powerful reorienting effects upon FLSW according to cultural turn theorists. The coming of the consumer age carries an implication that service spaces are no longer mere locales of rational exchange (Gabriel & Lang, 2006). It is so much more: a place where meanings are formulated and status reified. People no longer head to church at weekends to find meaning; they head to the nearest shopping mall or cathedral of culture instead (Ritzer, 1999).

Scholars have distilled these notions into several well-known conceptualisations. In successive essays Ritzer (1993; 1999) popularised the dual notions of McDonaldisation and the enchantment of a disenchanted world. The latter refers to capitalism's attempt to reignite the magic and mystery that its own machinations demystified. The former encapsulated the onward march of instrumental rationality into the realm of consumption, as well as the growing pervasiveness of consumerism as the organisational interface of modern life. Bryman (2004) makes analogous arguments, contending that the simulation and illusion that characterise Disney's theme parks are coming to dominate the service sector and wider society.

Neither Ritzer nor Bryman were oblivious to the question of whether jobs in "enchanted" or "Disneyised" workplaces were simultaneously infused with fairy tale character. Both retained a focus upon the unpleasant aspects of working in environments characterised by intense "stage management," even as they gave primacy to the logics of consumer culture in explaining the nature of the environments under study (Warhurst et al. 2008).

Regardless, an important consequence of these trends is that FLSWs are required to adopt a "hybrid identity" (Allen & Du Gay, 1994), acting as producers of *meanings* as

well as services. Management are similarly implicated; they are required to manage the production of meanings with the level of energy traditionally reserved for the stewardship of profits.

In calling attention to the boundary-spanning nature of FLSW in terms of their cultural significance, these accounts have surfaced ways in which FLSW may differ experientially from frontline work in other sectors. That said, one of the most common criticisms is that the pendulum swung too far in that direction - meaning that the distinctions between goods and service production and their labour processes are exaggerated (see Beynon, 1992; Sturdy, 2001; Taylor, 2002).

Theorists such as Bradley et al (2000 in Warhurst et al., 2008) have countered that a “cult of work” is a more valid conceptualisation of modern life than cult of consumption. They refer to the proliferation of long hours (see Grimshaw & Rubery, 2010), non-traditional contracts and the penetration of work-related ideology into non-work confines as exemplars. In the UK for example, the growth of zero-hour contracts may be seen as embodying a break-down of the safety net that once protected life from capital’s colonisation (Fleming, 2017).

Against an empirical backdrop of zero-hour contracts and broader “precariatization” (see Savage et al. 2013), it is difficult to accept Bauman’s (1998) proposition that work is “nothing” in contemporary lives (see Warhurst et al., 2008: 97). Critics have argued that such a notion is more utopian fantasy than reality, based upon over-extrapolation from extreme cases. It is widely remarked that contemporary service economies actually resemble an hour glass, with large concentrations of “good” and “bad” jobs with little in the middle (ibid.). A large proportion of FLSW resides at the bottom end of the socio-economic pile as Hochschild above observed. For example, whilst 40% of retail workers meet the definition of low pay in the UK only 14% of manufacturing workers do¹⁸ - even though both spheres operationalise many of the same neo-Fordist modes of

¹⁸ Defined as 2/3 median national pay; see Clarke, S. D’Arcy, C. (2016) *Low Pay in Britain 2016*, Resolution Foundation.

production. These considerations undermine paradigm shift optimism and underline a more “bleak house” (see Chapter Three) perspective on FLSW.

A final issue with Bauman’s de-centring of work is that it renders unproblematic the patterns he commentates upon. In Bauman’s consumer society workers indulge their consumptive yearnings and aspirations (for beauty, pleasure, novelty, etc.) through cathartic engagement in the FLSW labour process. “Co-production” is said to bridge the divide between producer and consumer, because the former is subsumed in the experience of the latter. Hence frontline producers are reimagined by Bauman as embodied cultural artefacts, opinion leaders and expert guides. Unitarist imaginings such as these risks de-politicising and over-simplifying the experience of employment within such roles.

2.2.1. Customer sovereignty and the rise of the enterprise

In a series of publications du Gay and collaborators (du Gay & Salaman, 1992; du Gay, 1993; du Gay, 1996) have provided the best known account of FLSW in the cultural-turn cannon. As with all such accounts it argues that a fundamental rupture has occurred, one that is both cause and consequence of the reformatory power of *discourse* and its binate linguistic constructions.

Du Gay (1996: 43) defines discourse as “*a group of statements which provide a language for talking about a topic and a way of producing a particular kind of knowledge about a topic.*” Elsewhere discourse has been defined as giving “*social existence to objects ... [consisting of] practices that systematically form the objects of which they speak*” (Ezzamel & Willmott, 2008: 192/193).

Du Gay’s synthesis of the reconstructed nature of FLSW centres upon two discourses that are mutually constitutive – those of *enterprise* and *customer sovereignty*. Each was

forged against the contextual backdrop of radical socio-economic change but neither is reducible to them. The origin of his key concepts is not specified, leading some to argue that they seemingly emerge from nowhere (Fournier & Grey, 1999).

The nub of Du Gay's position resides in his discourse of enterprise, which has irrepressibly remodelled and reconceptualised organisational life according to the author. It has wreaked havoc on pre-existing forms of organisation (e.g. bureaucratic models, technocratic administration) like a whirlwind, universally reconfiguring work in accordance with its vicissitudes. Given its virulent nature its effects have been widespread, pervading government policy and corporate strategy alike. It also provides the rationale for individual actions and cycles of organisational upheaval reminiscent of Schumpeter's (1994: 82) "gale of creative destruction," whereby industry becomes locked in a permanent pattern of competitive self-immolation. Yet the discourse of enterprise goes further by taking creative destruction beyond industry and into all walks of life.

A problematic issue with du Gay's discourse of enterprise is its nebulous composition. Du Gay's definition of enterprises has no fixed reference points, creating the impression that it is everywhere and everything. Perhaps that is the point, but a more cynical interpretation could be that it is *nowhere* and *nothing* if it cannot be synthesised coherently. Du Gay's most lucid position is that enterprise refers to "*[the] kind of action or project that exhibits enterprising qualities or characteristics on the part of individuals or groups*" (du Gay, 1996: 56). These include "*initiative, self-reliance and the ability to accept responsibility for oneself and one's actions*" (ibid. 268). An institutionalised incarnation of these is the "enterprise culture," wherein "*boldness and a willingness to take risk in pursuit of goals are regarded as human virtues and treated as such*" (du Gay and Salaman, 1992: 628). Du Gay accentuates the distinctiveness of this new alignment via contrast with the sclerotic bureaucracy that enterprise culture has sought to displace.

He continues to argue that the power of enterprise discourse stems from its cross-germination of neo-liberal policy, business practices and the reflexive capacities of self-actualising subjects. These fuse to normalise a moral code based upon the virtuousness of the free market principles and the malfeasance of any impediments to them (e.g., unions, bureaucrats, and “jobsworths”). To vanquish the stain of the old order, enterprise mobilises new forms of governance that operate in tandem to preclude aberrant forms of behaviour. These include “governance of the soul,” “control-led de-control” and proxy management via technology (du Gay & Salaman, 1992: 625-627). Along these lines enterprise discourse constitutes a fundamental shift in the nature of work, especially on the FLSW cultural and economic frontier (du Gay, 1993).

A key sub-strand of enterprise discourse according to du Gay is an organisational imperative to be intimately involved with the customer, striving continuously towards improvement for the betterment of their experience. The *cult of customer sovereignty* thus refers to the ascendancy of the customer to the role of preeminent actor in the “service triangle” (Gabriel, 2008) of customers, managers and employees. For the subordinate members of the triad it imposes upon them an onus to meet the cultural aspirations of customers because “getting it right economically means getting it right culturally” (du Gay, 1993: 577). By implication FLSWs must tune into the life projects of these exalted beings, who seek out meaning and self-elevation via consumption.

The discourse of customer sovereignty is seen by du Gay as both cause and consequence of a wider reconceptualization of subjects as *consumers* (discussed above). Through these processes customers have become knowledgeable in their endeavours and monarchical in their expectations. Demand has become idiosyncratic and fragmented as a result, and service organisations have little choice but to metamorphosise around these demands (du Gay, 1996).

Taken as a whole these interconnected discourses have systematically re-orientated FLSW. They have elevated the customer to the position of supreme actor in service arenas. They have also shaped management solutions befitting the age including

“loose/tight” forms of surveillance technology and culture management (Peters & Waterman 1982 in du Gay, 1996: 61). Furthermore they have induced a rolling purge principle, enabling organisations to shed their bureaucratic skins and grow ever closer to the customer.

2.2.2. Du Gay: Conceptual reservations

The limitations of du Gay’s thesis could be summed up as systematic under-exaggeration and over-exaggeration. The net effect is to overstate change and its effects on work relations, whilst discounting continuity and its analytical implications. Much of said problem resides in his adaptation of a constrictive ontology that limits his exploration of extra-discursive forces and factors *vis-à-vis* FLSW (Fournier & Grey, 1999).

A critical hindrance of du Gay’s reductionism is that the space for contestation is fundamentally denied, especially in relation to FLSWs who are depicted as enfeebled subjects. Within this framework the knowledge and power of the customer is overstated whilst the opposite treatment is afforded FLSWs. A related issue is that FLSWs and customers are each deterministically depicted as servant or master respectively. This discounts the possibility that individuals on either side of the fence could mobilise rival discourses or non-discursive resources in pursuit of heterogeneous agendas (Sturdy, 1998).

It seems reasonable to expect considerable variation in actor’s knowledge and power on either side of the service divide, not to mention variation in individual’s willingness to take advantage. People are also changeable; their deployment of agency is unpredictable within specific contexts. Human variability sits uncomfortably with du Gay’s theoretical generalisations.

There are further issues with du Gay’s thesis. One such example is that it is ahistorical, failing to adequately link the phenomena he describes to pre-existing power asymmetries. Another issue is that by shrouding enterprise discourse in paradigm shift language, he limits his scope to analyse the continued relevance of bureaucratic orthodoxy and the basis of its self-replication. Yet another issue is that many of the fads

(e.g., TQM, enhanced appraisal, performance targets, etc.,) and organisational changes (delaying, re-skilling, “empowering”) that supposedly comprise “enterprise” could just as easily be argued to be rehashes of old ideas (Scott & Marshall, 2005).

A final strand of reservations relates to the one-side treatment of each the constituent members of the service triangle and their relationships with one another. Management for instance are rendered as relatively servile subjects, stripped of autonomy and strategic discretion by the irrefutable logics of enterprise and customer sovereignty. What this does not acknowledge is the extent to which management remain active gatekeepers of *what customers want* and *who the customer is*.

FLSWs on the other hand have the significance of their engagement in an employment relationship denied due to du Gay’s emphasis on the higher calling of consumption. FLSWs are better understood as participants in a linguistically-mediated identity game than wage labourers according to this logic, which conveys unitarist assumptions about FLSW relations. This leaves little space to explain certain FLSWs relative immunity to the discourses of which he speaks (Leidner, 2006). As for the customers, they are portrayed as cultural conquistadors on a mission of meaning construction. Other aspects of their humanity are cast aside by du Gay and relegated to the outer limits of decision making filters. The problem with this argument is confounding evidence that customers remain polytheists rather than monotheists (discussed further in Chapter Seven).

Section Three: People and parts as forces and factors

2.3.1. Sub-sectorial analysis

What I am referring to here is a range of theoretical treatments that share an assumption that FLSW is too diverse for decontextualized generalisations. With this in mind, it becomes necessary to foreground and theorise typological distinctions so as to better articulate the forces and factors that shape experiences. One widely-cited mode of disaggregation is to sub-divide FLSW into organisations or sub-sectoral strata pursuant of “high road” or “low road” strategies (see Mason & Osbourne, 2008). These are qualitatively differentiated by the product markets they cater to, the labour markets they

draw upon and the skills necessitated (Nickson et al., 2011). High-road settings may also be differentiated by social prestige, with psychological benefits for FLSWs and knock-on effects for FLSW relations. Some sectors, brands, settings and products embody “cultural capital” (see Wright, 2005) whilst others may be stigmatised in ways that impact upon the wage-effort bargain and social dynamics (Goffman, 1963).

Another approach is to examine FLSW through the nexus of contradictions and the strategies that organisations pursue to deal with these contradictions. A well-known typology draws a division between organisations seeking competitive advantage through “mass-service” versus those pursuant “mass-customised service” instead. The distinction rests upon whether the business model gravitates towards high volume/low prices or high value-added via service quality (Frenkel, 2006). Batt (2000) framed the distinction in terms of “mass production strategies” versus “relationship management strategies,” arguing that each invoke downstream effects on patterns of work organisation and skill content. It follows that these “differentiation strategies” (Arrowsmith, 2010: 195) will intersect with worker responses in general terms (Edwards, 2009).

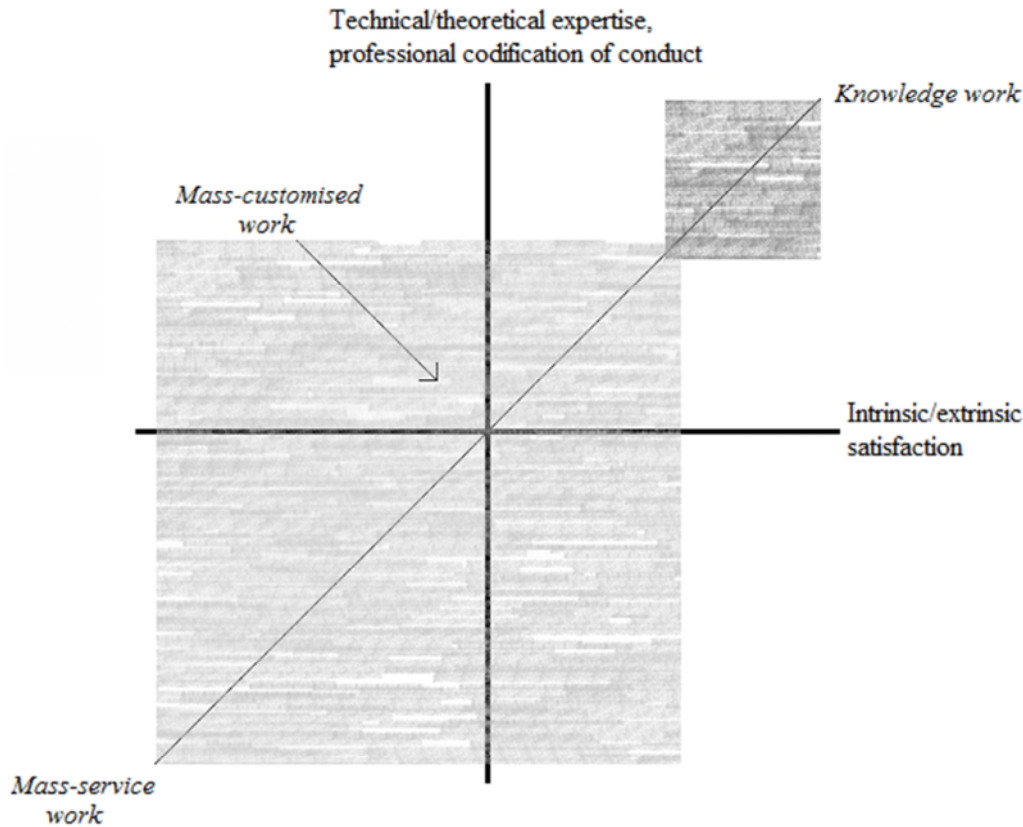
Building on this theme, some theorists have sought to express the subtleties of FLSW through a spectrum. In Figure 2 knowledge work is presented as being at one end of a spectrum whilst mass-service resides at the other.¹⁹ The defining characteristics of the former are that roles are underpinned by theory, they have technical dimensions and are explicit, i.e., they are codified to some extent (Thompson et al., 2000). In contrast mass-service roles are understood as tacit, contextual and social whilst lacking in high value-added content. The model assumes a linear link between job satisfaction (monetary and psychological) and dimensions of labour process control (skill, autonomy and discretion).

Between the two extremes lies “mass customised” which straddles the divide between cost-driven and value-added models. Whilst not as rewarding as knowledge work, it does contain features of it that afford FLSWs greater control over the labour process. However, the downside of this approach for FLSWs and management is that they find themselves situated between two battle fronts with incompatible logics. One could easily foresee how the *best of both worlds* for customers could easily become the *worst*

¹⁹ Based upon my synthesis of Frenkel's typology (2006: 357-363).

of *both worlds* for FLSWs, with the latter trapped between intangible service quality expectations and concrete performance measures (Taylor & Bain, 1999).

Figure 2: The spectrum of FLSW



2.3.2. Customer-oriented bureaucracy

Perhaps the most compelling explication of the contradictions that shape FLSW is provided by Korczynski and collaborators (Korczynski et al., 2000; Korczynski & Ott, 2004; Korczynski, 2005, 2008). His main accomplishment is to sew together strands of theory so as to better understand the implications of competing pressures. With his theory of the “customer oriented bureaucracy,” he is able to dually navigate both frontiers of production *and* consumption.

The customer-oriented bureaucracy (see Table 1) represent management’s attempt to reconcile a contradiction between rationalisation and customer-orientation. Korczynski’s notion of customer-orientation is reminiscent of the cultural-turn

perspective, wherein customers are constructed as dominant cultural beings in search of enchantment and illusion. However, he departs from the assumptions of the cultural turn by arguing that customer sovereignty is better understood as a convenient myth rather than reality. Management rhetoric is therefore re-imagined as something more akin to ideology, which serves the purpose of channelling FLSWs' energy towards customer happiness.

What jeopardises the illusion is the constraints imposed by bureaucratic complexes, which function as the structural embodiment of management's control agenda. Hence a contradiction between rationalisation (systemisation of inputs/outputs) and customer-orientation (qualitative experience): a simultaneous attempt to enchant consumption whilst masking the restrictive systems that govern it. The notion is reminiscent of Burawoy's (1979) argument that the labour process exists to obscure and secure surplus. Re-cast for FLSW, the role becomes one of performing "magic" (i.e., enchanting the service process to secure revenue) whilst obscuring the dreary reality of production that secure profit.

Table 1: Dimensional map of the customer-oriented bureaucracy

<i>Dimensions of work organisation</i>	Customer-oriented bureaucracy: dual focus on customer-orientation logic	Bureaucratic logic
<i>Dominant organising principle</i>	Orientation to formally irrational aspects of customers	Rationalisation
<i>Labour process</i>	Qualitative focus	Quantitative focus
<i>Basis of division of labour</i>	Customer relationship	Efficient task completion
<i>Basis of authority</i>	Customer-related norms	Rational-legal rules
<i>Means/ends status and emotions</i>	Focus on customers as ends of action	Focus on efficient means
<i>Key management role</i>	Creating and maintaining fragile social order that allows creation of profit	

(Source: Korczynski, 2008: 79)

In practical terms enchantment necessitates management concessions away from unfettered rationalisation, so that FLSWs have sufficient scope to maintain customers' illusion of relational superiority (Korczynski, 2008). It thus befalls FLSWs to proactively maintain customers' sense of sovereignty within diverse service encounters, effectively rendering them "contradiction reconcilers." To some extent then they are understood as operating between a rock (management's control agenda) and a hard place (customer's illusion of primacy). It is within such a place that FLSWs gain their agential power though, because customers and managers each depend upon their intermediary role to secure objectives.

The customer-oriented bureaucracy has a number of virtues *vis-à-vis* the arguments set out above. In the first instance it provides a broadly applicable framework to comprehend the structured antagonism underpinning triangular relations. It also accounts for constraints imposed on each party (in spite of power disparities), and the residual scope for agency where culture and commerce elide.

Importantly, Korczynski's concept has the capacity to explain why the substance of service offerings differs so much from the marketing material (a theme in Batt, 2007). Given that sovereignty is cast as rhetoric rather reality (*contra du Gay*), foundations are also laid to explain the extent of customer disillusionment. It seems inevitable that tensions will boil to the surface and reveal themselves in such a dynamic.

A further accomplishment of the customer-oriented bureaucracy in my view is its alignment with conceptualisations emanating from sub-sectoral analysis. For example, the acute pressures that supposedly emanate from "mass customised" strategies could be expressed as an outcome of attempting a stable balance between opposing enchantment and rationalising aspirations. Novelty and excitement seem an anathema to the brute instrumentality of mass production. Logically, any attempt to enact both within the same labour process will engender compromises that partially diminish the benefits of one extreme or the other.

Overall Korczynski's claim that the customer-oriented bureaucracy *"takes forward discussions of the culture of the customer by locating a wider material basis within everyday economic activity for the culture of customer sovereignty"* (2005: 84) is useful. However, a number of issues also limit its value in understanding the experience of FLSW. A key reservation is that this model understates the commonality and viability of overtly disenchanting low-road models. Managers of firms at all points on the compass are liable to make arguments about how the customer is king in their organisation. Yet the specific realisation of this principle is born of management's strategic impetus, which may direct organisations towards divisive market approaches or monopoly power rather than inclusive unitarism. To take an infamous example (see Harvey & Turnbull, 2015), Ryanair is now Europe's biggest airline despite its service quality being more traumatic than enchanting. A *Guardian* article recently declared the brand as being *"built on being reliable bastards."*²⁰ Its chief executive seems to take sadistic pleasure on waging war with its customers and FLSWs in my opinion, as the following public statements indicate:

"MBA students come out with: 'My staff is my most important asset.' Bullshit. Staff is usually your biggest cost. We all employ some lazy bastards who need a kick up the backside.

Anyone who thinks Ryanair flight is some sort of bastion of sanctity ... is wrong. We bombard you with as many in-flight announcements and trolleys as we can. Anyone who looks like sleeping, we wake them up and sell them things.

*You're not getting a refund so fuck off. We don't want to hear your sob stories. What part of 'no refund' don't you understand?"*²¹

²⁰ Davis, R. "Ryanair strikes," 07/07/2018.

²¹ Hogan, M. "Michael O'Leahy's 33 daftest quotes," *The Guardian*, 08/11/2013.

Another reservation is that Korczynski does not make explicit some of the logical inferences he draws upon. The customer-oriented bureaucracy has not sprung from nowhere any more than du Gay's discourse has; they are each embedded in relations of power, politics and access to material resources. Managers are pro-active and reactive in ensuring that enchantment turns a profit, making Korczynski's (2005: 73) "underlying contradiction" less of an abstract thing and more of a day-to-day struggle at the point of production (Bélanger & Edwards, 2013).

2.3.3. Labour process theory

A potential complement to Korczynski's analysis would be to draw upon the critical traditions of Labour Process Theory (henceforth LPT) more extensively and explicitly. LPT conceives capitalism as comprising dual strategic objectives: to remove indeterminacy (to the extent that is practicable) whilst transmuting and/or appropriating knowledge, skills, feelings and bodies for the purposes of competitive advantage and profit (Warhurst et al., 2008). The binary nature of managerial prerogative thus contains contradictory compulsions to regulate and control FLSWs and to free them to add value (Hyman, 1987).

The relevance of this dualism to FLSW has been a recurrent theme throughout the preceding discussion. Managers need to control or "rationalise" the labour process so as to deliver consistently at minimal costs. They also need staff to deploy their agential power and creative capacities to satisfy customers irrespective of constraints imposed upon them. In light of this, the preoccupation of LPT is in developing nuanced accounts of how such contradictions are practically and strategically managed within capitalist political economy (Thompson, 2009).

Another pertinent feature of LPT is that it makes a number of prescient observations about the service sector, which are especially relevant to "cultural turn" theorists. Some amongst the latter acted as cheerleaders for the rise of service work and decline of

manufacturing jobs, believing that consumer-age roles represent a move up the content/rewards scale (as depicted in Figure 2). Labour process theorists take umbrage with this, arguing that it overlooks the *actual* composition of the service sector and much FLSW. In terms of the latter, it is argued that excessive focus on intangibles have blindsided some to the continued dominance of tangibles synonymous with mass-service production.

As for the sector generally, labour process theorists have argued that there is nothing intrinsically good about service jobs because positive attributes (e.g., higher knowledge content, discretion and autonomy) do not flow from them naturally. Most UK FLSW is firmly embedded at the mass-service end of the spectrum, leading to the contention that far more “McJobs” than “iMacJobs” have accompanied the rise of the service sector (Thompson et al., 2001: 926). Cultural-turn critics argue that much of the confusions stems from a muddle over *form* and *content*, meaning that differences in the outward appearances of FLSW (compared to manufacturing) gloss over enduring similarities in how they are structured, organised and experienced. Some of the supporting evidence will be evaluated in the next chapter.

Section Four: Discussion - theorising the experience of FLSW

The purpose of this chapter has been to explore the most significant conceptual developments and theoretical treatments of FLSW, in order to identify their strengths and weaknesses and synthesise opportunities to move the agenda forward. A second objective has been to illuminate key debates and the contributions of influential theorists to them. A final objective has been to juxtapose competing positions in terms of the implications and limitations at different levels of analysis. The ontological contours of rival positions have also been illuminated.

Korczynski & MacDonald (2008) argue that three approaches may be adopted when confronting the range of insights into FLSW: the *post-modern approach*, the *elevation approach* and the *bridge-building approach*. The post-modern approach centres upon

the fundamental irreconcilability of social theory. To pursue truth is a futile exercise because any attempts to better articulate the FLSW experience is stymied by the impossibility of truths other than discourse. In contrast, the elevation approach seeks to supplant one perspective with another by demonstrating its superiority in explaining the phenomena under study. The final approach - bridge-building - seeks instead to bring perspectives together for the betterment of scholarly knowledge.

It is possible to mobilise Korczynski & MacDonald's template to understand the post-modern accounts, in that they build their own bridge between the first two approaches. Paradoxically they insist upon the inescapable relativism of competing truth claims whilst implying that their doctrine is the one true gospel (see Knights & Vurdubakis, 1994, for a pronounced example of this type of thinking). In contrast, the value apparent in more subtle paradigm shift theses resides in their capacity to explain how and why FLSW may have changed in accordance with the forces and factors of which they speak. That being said, their conceptual tools appear less able explain continuity and the endurance of social objects.

Another reservation over paradigm shift theory regards its ahistorical formulation and de-politicising of the work sphere as a place of contestation and exploitation. Neither is eschewed by Hochschild (2012) by way of contrast, who provides an instructive example of bridge-building. By exploring the distinctive features of FLSW in light of broader features that capitalist workplaces, she was able to theorise the former as the onward march of the latter. Put another way, she was able to show how something new (FLSW's intangible qualities, performative requirements and associated risks) is an expression of something old (exploitation within inherently unequal capitalist labour relations). The robustness of Hochschild's approach as a means of exploring both distinctive and common features is amongst its strong points in my view. Its major limitation was its over-emphasising of these particular dynamics at the expense of a subtler appreciation of individual nuance and day-to-day experience.

The customer-oriented bureaucracy can be reasonably conceived as an attempt to add a material/structural backbone that may enhance the positive aspects of the paradigm shift

critiques whilst alleviating their weaknesses. It does this by separating out commercial and cultural discourses and by disaggregating rhetoric from reality. Amongst other things Korczynski's approach provides a better template for analysing conflict within the service realm. Its main limitation is that it draws attention away from political economy by focusing instead on the service interface.

In contrast, LPT embodies a non-constrictive framework for analysing social relations at the point of production – one that is premised upon assumptions that may guide a deeper understanding of FLSW within advanced economies. By its very nature LPT hones in on inner-workings and seeks to explain experiences in light of broader socio-economic relations and power disparities. There are however two important opportunities to develop the LPT project: (1) by better incorporating normative control (Warhurst et al., 2008) and (2) by better assimilating the inherent variability of *people*. Both of these projects are well underway (see for example Bolton & Houlihan, 2007) but would benefit from extra impetus.

Drawing inspiration from Thompson (2011: 767), Figure 3 seeks to chart the developmental progress of FLSW theory as a genealogical tree. Despite the obvious risk of over-simplification it provides a useful means of illustrating the interconnections and underlying assumptions of major works. It also shows where attention has been comparatively lacking.

A general deficit depicted in Figure 3 is the limited representation of agency and *people*, who are invariably reduced to *homo economicus* or bonded subjects of discourse (Archer, 2000). The re-insertion of human actors into the work sphere may not only enhance an academic understanding of FLSW, but also of the experience of work generally within contemporary conditions. Of course, this assumes that a more subtle appreciation of individuals and groups is not at the expense of an equally subtle appreciation of the broader forces and factors that constrain/enable them. A need for balance underlines the case for a stratified analytical approach that is primed for an

exploration of the interrelationship between parts and people (Archer, 1996). The layers of a stratified ontology are disentangled for illustrative purposes in Figure 4 below.

To summarise, influential accounts of FLSW differ considerably in their conceptualisation of it. Some posit the quantitative rise of service work as a qualitative improvement in work experience, whilst others argue that it adds new forms of exploitation to old ones. Whereas some argue that FLSW should be conceived in cultural and customer-centric terms, others argue that the emphasis should remain on management and relations of production. Each of these matters necessitates further deliberation with a view to research, the subject of the next chapter.

Figure 3: Genealogical tree and space for conceptual development

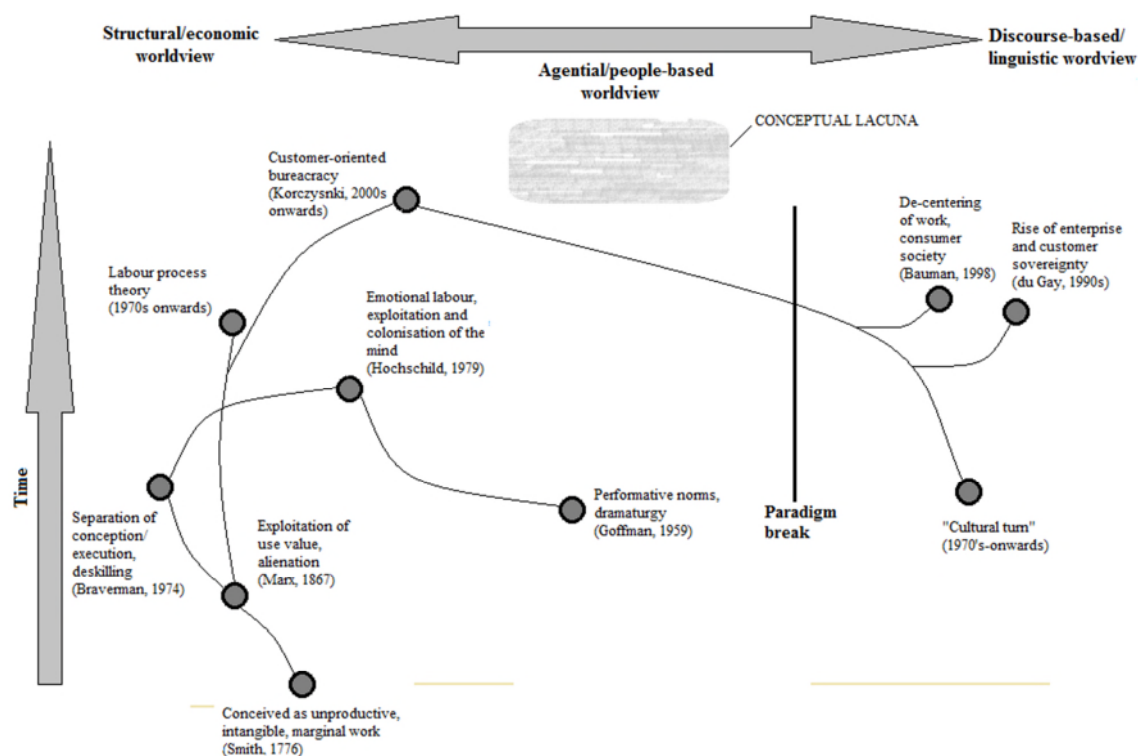
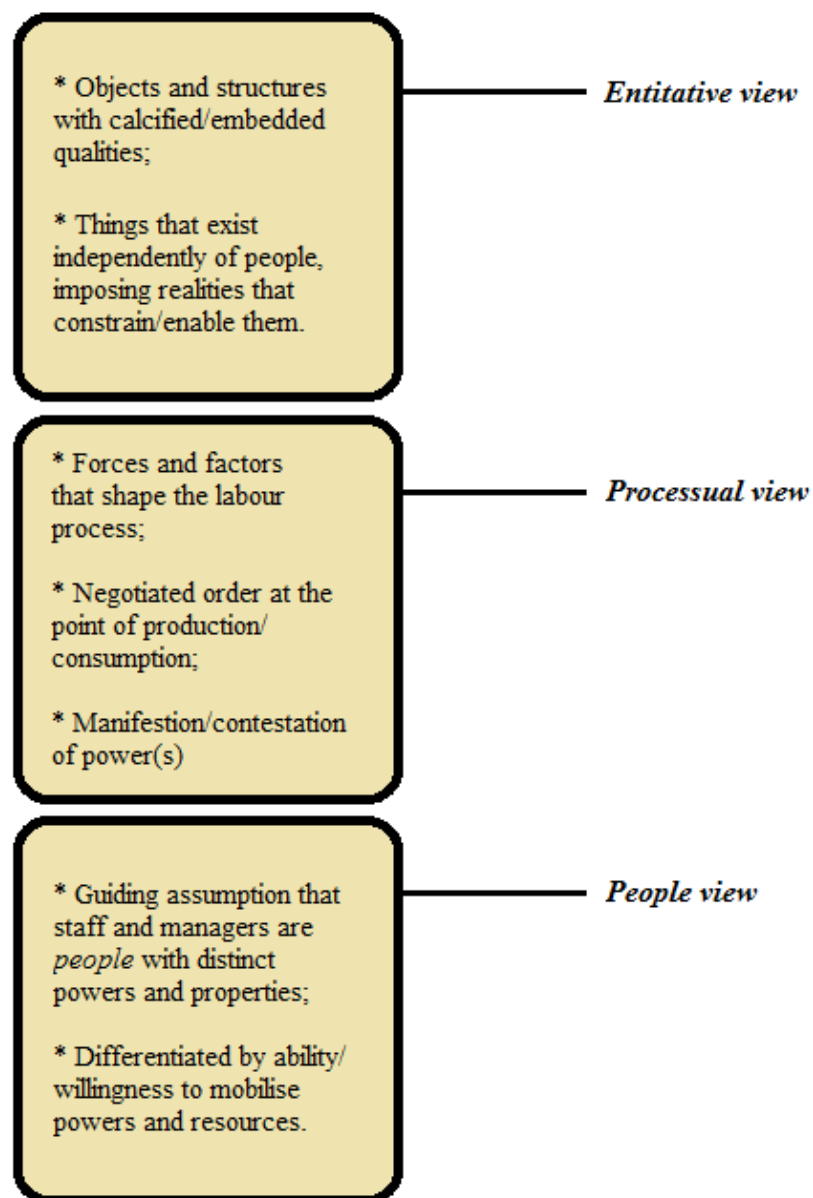


Figure 4: A stratified ontology of organisational life



CHAPTER THREE: A REVIEW OF EVIDENCE ON THE EXPERIENCE OF FRONTLINE SERVICE WORK

Introduction

In assessing the nature and quality of FLSW it is commonly argued that two camps have formed that convey substantively different views of life within them. Often these are referred to as the “bleak house” and the “happy house” (Turnbull & Wass, 1997; Rose, 2002: 41). The former conjures the grim realities of Victorian workhouses as a metaphor for contemporary FLSW, albeit in these updated accounts workers are whipped and driven by an inter-locking control matrix rather than “simple” control (Edwards, 1978) typical of earlier periods. Particular attention is paid to “technocratic control” here given the myriad of new technologies available for monitoring and surveilling FLSWs (see McPhail, 2002, for an overview). These technologies are envisaged as conduits of Taylorism within service settings, acting to control line speed and “product quality” thereby replicating the dreary conditions of factory work. When these are combined with less mechanistic ideological tools drawn from the “new service school” (Korczynski, 2002: 19), management are thought to have assumed dystopian levels of power and control that are similar in substance and style to those prophesied in Orwell’s *1984* (see Willmott, 1993).

By way of contrast the “happy house” observers have called into question the inevitability of neo-Fordist strategies and Victorian workhouse conditions. They posit examples of “high road” strategies and evidence of genuine FLSW satisfaction. A key distinction they make is that whilst oppressive powers *may* exist, this is not to say that they will be exercised by default. Ultimately it is a question of management’s agency and strategic and tactical orientation.

Section One below explores research that embodies each of these interpretations, drawing upon some of the most widely cited evidence. Attention will firstly be paid to call centres given the wealth of evidence generated in such settings, particularly in

relation to control mechanisms. The wider relevance of these studies will be subsequently explored via research in other sub-sectors that exhibit similar features. The section concludes with an overview of contrary evidence from “happy houses.” Emphasis will be placed upon the factors that distinguish them.

Section Two presents research findings from an alternate source of evidence: micro-analysis of FLSW life, based primarily upon ethnographies at the people/unit level. What these studies show is the manner in which FLSWs appropriate meaning and resist management and customers alike. Viewed at this level FLSWs have powers and properties that are unique to them as *people*, as well as contextual advantages that assist them in wrestling control away from ostensibly dominant parties. Section Three then synthesises key points as they relate to theoretical paradigms (Chapter Two) and a proposal for new research (Chapter Four).

Section One: “Bleak house” and “happy house” accounts of frontline service work

One of the most vivid accounts of FLSW has been provided by Fernie and Metcalf (1998) in their comparative case study of four call centres. Their position is encapsulated in two quotes that crystallised their views:

“This occupation merits study because the possibilities for monitoring behaviour and measuring output are amazing to behold – the “tyranny of the assembly line” is but a Sunday school picnic compared with the control that management can exercise in computer telephony

...For call centres, Bentham’s Panopticon was truly the vision of the future and these organisations are the very epitome of what Foucault had in mind.”

Explicit here is the notion that an interlinked triangle of information and communication technologies (ICTs) can be mobilised to enact a near-totalising control matrix. The power unleashed by the interconnection of transactional terminals, databases and automatic call distribution systems represents a paradigmatic shift in how work is organised and experienced according to the authors. ICT's constitute an assembly line in the literal sense, whilst also providing management with a comprehensive toolkit to surveil inputs and outputs.

Two particular powers that call centres managers enjoy are the “facility of remote listening” (Callaghan & Thompson, 2001: 23) and a monopoly over statistical data. The former concerns managers’ unconstrained ability to monitor employee performance in real-time and/or after the fact. The latter concerns managers’ ability to quantify almost any aspect of FLSW performance as either individuals or team members. In combination these facilitates enable management to become an omnipotent force, able to systematically control the pace and quality of FLSW.

This explains Fernie and Metcalf’s use of antiutopian language to describe the experience of call centre work. Management’s power is seen as being at the binary expense of FLSWs powerlessness, which is both a cause and consequence of an excruciating mix of old economy elements (Fordist production) and new (digital control systems). The assembly line thus remains entrenched whilst new technology extends management’s reach in unprecedented ways (Taylor & Bain, 1999).

Whilst a consensus has formed around the notion that Fernie and Metcalf’s thesis exaggerates managerial control and sweatshop conditions, a substantial amount of research does nonetheless support a “glass half empty” perspective. For example, research on teamwork within similar settings has suggested that they actually serve as mechanisms of intensification (Bain & Taylor, 2000) and corporate indoctrination (Callaghan & Thompson, 2001) rather than as bases of support and solidarity. In actuality the pace of the line and work design severely curtailed FLSWs ability to interact with fellow team members. The authors therefore argue that these policies are

more rhetoric than reality, acting primarily to coerce in-house competition in pursuit of productivity gains. Similar insights have been gleaned from research on other facets of “humanistic” management within call centres including quality circles, team briefings and individualised/team-based incentive schemes (Taylor & Bain, 1999).

One of the most compelling bleak house accounts of FLSW is provided by Wallace et al. (2000). Based upon four case studies of high performing call centres in Australia, they argue that these operators have each converged upon a distinct strategy for balancing the contradiction between efficiency and service quality (as described by Korczynski in Chapter Two). They refer to this as the “sacrificial HR strategy” (SHRS), which involves using up and “burning out” FLSWs in the full knowledge that they will buckle under dual qualitative/quantitative pressures. They argue that high-turnover and emotional burn-out are tolerated and actively encouraged as means of securing a low-cost FLSW conveyor-belt.

The logic guiding the adaptation of SHRS according to Wallace et al. (2000) was its supposed cost/benefit superiority *vis-à-vis* sophisticated HR strategies, which may mitigate the harmful effects of FLSW but at higher costs. In contrast, SHRS involves management recruiting FLSWs in full knowledge of a substantial discrepancy between the nature of work (intensively paced, highly structured and routinized) and FLSWs intrinsic motivations (for enjoyable, sociable work). The misalignment is treated as a solution not a problem though, because it sets the conveyor-belt process in motion. It brings workers in and forces them out “voluntarily” once their goodwill and emotional energy has been harvested. The authors argue that SHRS is made possible by certain contingencies including divisible tasks, ICT integration and a large pool of cannon fodder that make rapid turnover sustainable.

3.1.1. Looking beyond the call centre archetype

One reason why call centres have received a lion share of researcher’s attention is that it has been regarded as a trailblazer – a sub-sector that spearheads and exemplifies “[new

strategies] by capital to create controlled and cost-efficient environments that can restructure and expand the provision of services to the customer” (Callaghan & Thompson, 2001: 9). Its advanced ITC integration is its prominent feature, although it also serves as a vanguard of “de-layered” organisational structures (Belt et al. 2000 in McPhail, 2002) and “rationalised” management (as described by Korczynski et al., 2000).

That said, a substantial body of evidence suggests that “bleak house” conditions extend far beyond call centres. In particular there is compelling evidence of new controls complementing old ones, whilst management increasingly disaggregates into a separate orbit to that occupied by FLSWs. For example, in four case studies of service organisations operating in distinct sub-sectors (telecommunications, food retail, banking, and public sector community-care), Grimshaw et al. (2002) discovered uniform processes of “flat hierarchy” re-structuring. One effect was to decimate middle ranks, which in turn exacerbated skill and reward polarisation by limiting scope for incremental development. The organisations therefore came to represent the “hour glass” theorised by Warhurst et al. (2008) in Chapter Two. The diminishment of the career ladder also enhanced the probability and price of being trapped at the bottom, amplifying the pressure to get ahead at any cost. The overall effect of *winner-take-all* was workers “choosing” intensification and unpaid responsibilities because the alternative was to languish at the bottom.

The upside for management is that *the house always wins* via divide-and-conquer, reduced costs and an enhanced capacity to exercise power arbitrarily and abusively. If this sounds hyperbolic it is worth taking stock of the opening remarks of a recent House of Commons report²² on Sports Direct, one of the UK’s largest companies:

“A spotlight has been shone on the working practices and business model of Sports Direct. What the spotlight revealed was extremely disturbing. Workers ... were not being paid the

²² Available at: <https://publications.parliament.uk/pa/cm201617/cmselect/cmbis/219/219.pdf>

national minimum wage, and were being penalised for matters such as taking a short break to drink water and for taking time off work when ill. Some say they were promised permanent contracts in exchange for sexual favours. Serious health and safety breaches also seem to have occurred. For this to occur in the UK in 2016 is a serious indictment of the management.”

The effects and implications of polarisation have been addressed in other studies of “big box retail” as well as the café sector. Grugulis et al. (2010) found that FLSW’s (including frontline managers) have little discretion and autonomy but are nonetheless held responsible for success or failure. Lloyd & Payne (2014) made similar discoveries, arguing that their research sites exhibited a tyranny of targets against the backdrop of extreme disparities between responsibility for performance and control over performance. In their study of ten organisations within the café sector they highlighted a consistent pattern of centralised control over “brandscaping,” layout, product range, pricing, pay and staffing levels. The only residual space for frontline managers to exercise autonomy and discretion was in the shaping of the “quality of human relationships and the actual experience of work” (p.484).

One of the starkest “bleak house” evaluations of FLSW was provided by Turbull and Wass (1997) in their study of High Street Retail. They focused upon a large city store employing upwards of three hundred FLSWs, wherein management paid lip service to “good human relations” whilst engaging in practices that led to rolling hostility. As a consequence, FLSWs reported feeling that they were treated “as if [they are] nothing” (p.108) and antipathy towards management became deeply engrained. “Soft HR” policies were ultimately eroded into insignificance by the overriding imperative of management control. A particularly unsettling discovery was that store managers were even trained to give “standard answers for all the usual complaints” (p.106). It was hardly surprising in these circumstances that dialogue was reported to have completely broken down between FLSWs and managers, who came to be seen as “empty suits.”

Thus, across the seventeen case study organisations covered in this section there is considerable overlap in the FLSW experience and the forces and factors driving it. A separation of conception and execution (as discussed by Braverman, 1974) appears to be a cornerstone, with FLSW roles increasingly confined to the latter. In the meantime bureaucratic control has enacted a tight web of constraints, often substituting for disbanded layers of supervision.

3.1.2. Socio-economic stratification

If we accept that FLSW organisations have become top and bottom heavy - with management and technical lieutenants concentrated at the top and powerless FLSWs at the bottom – then polarisation takes on special significance. Amongst other things it implies deepening divisions and more pronounced distinctions between the officer and soldier classes and less scope for upward mobility. Given a choice between the fast lane (with relatively good pay and job conditions) and the bus lane, it is hardly surprising that fierce competition breaks out amongst FLSWs whilst solidarity is undermined.

At another level the emergence of a two-tiered labour market has significant policy implications. A key justification for “upskilling” via university degrees was that it would enhance economic competitiveness, as those extra skills would be deployed in workplaces (see Lloyd & Payne, 2014). Yet it is difficult to see how graduates into the UKs service-led jobs market can make such an impact when strategic brainwork is performed by the few (at head office command centres) at the expense of the many. On this basis it seems fair to question whether “UK plc” and its service organisations will yield substantial returns upon graduates’ (now privatised) investment in their “human capital” if all too many find themselves stuck at or near the bottom.

As for graduates themselves, they confront a structurally-engrained challenge not dissimilar to Grimshaw et al.’s (2002) FLSWs above; that being, a substantial supply/demand imbalance (see Keep & Meyhew, 2006) combined with considerable long-term costs associated with failure to secure the officer-track role. Whereas a university degree may have once stacked the deck in favour of graduates, the

transformation of degrees into commodities has diminished their value considerably. Gold-standard “grad schemes” have become overwhelmed by applications from mass produced graduates - a situation that was worsened by the 2008 recession. One story that made headlines was eight barista roles that garnered 1,700 job applications.²³ It is not known how many of these were graduates but it does illustrate the ferocity of competition for a certain tier of FLSW in a hollowed out economy.

It seems reasonable then to anticipate that organisations will reap a similar control and productivity dividend from graduates as they do with entry-level workers generally. The possibility of a long and slow struggle up the career ladder heightens the desirability of “grad schemes” that are marketed as fast-tracks to the officer class. Simultaneously, awareness and fear of a two-tiered labour market may also render graduates highly vulnerable and pliable in the face of powerful employers. A miss-match between supply and demand on the described scale appears ripe for exploitation.

These propositions are evident in a recent article in *The Guardian*²⁴ which reported upon research carried out by the IPPR think tank.²⁵ A key finding was that an internship had become a CV “must have” even though many offer little by way of substantial learning opportunities. Another finding was that recruitment processes were opaque and put less privileged graduates at a systematic disadvantage. They reflected the truism that “*it’s not what you know but who you know.*” Still another feature of the IPPR report was that it located the proliferation of internships (which often corresponded with poor pay working conditions) as an offshoot of the supply/demand imbalance as described above. Economic turmoil exacerbated disequilibrium as stated:

“The sharp decline in job opportunities, triggered by the 2008 recession, led to an oversupply of graduates with the result that

²³ Fricker, M. “The Costa the recession: more than 1,700 desperate job hunters apply for just 8 coffee shop roles,” *The Mirror*, 19/02/2013.

²⁴ Doward, J., Munro, M. “Poorer graduates struggle for jobs as unpaid internships soar,” *The Guardian* (15 April 2017)

²⁵ Institute for Public Policy Research (2017) *The inbetweeners: The new role of internships in the graduate labour market.*

firms have been able to get highly skilled workers even for low paid, insecure work such as internships.”²⁶

The efficacy and legitimacy of “winner takes all” is premised upon an implicit notion of fairness. It is assumed that the “cream will rise to the top;” talent will rise to the level of its competence and rewards will be fairly (if unevenly) distributed. Many of these assumptions go to the heart of the neo-liberal socio-economic model as applied to “human capital.” The problem is that evidence poses serious questions over these assumptions. In Williams (2004) study of US toy retailers for example, she found that labour was distributed overwhelmingly along race, gender and class lines. Different degrees of negative work experience were allocated on prejudicial bases, wherein “*the hierarchical and functional placement of workers according to managerial stereotypes results in advantages for white men (and to a lesser extent white women), and disadvantages for racial/ethnic minority men and women*” (p.484). What William’s introduces here is the possibility that within “bleak houses,” the bleakest experiences of all are reserved for disadvantaged minorities whilst the “gravy jobs” (Roy, 1952: 429) go to white men.

3.1.3. Beyond technocratic and bureaucratic control

The review so far has resonated with continuity notions of the service economy transition, whereby FLSW is regarded as an extension of the control-centred exploitation of earlier capitalist eras. There is nonetheless a body of evidence to suggest that new forms of control have complemented management’s arsenal that are specific to FLSW. One such basis of control is the customer feedback mechanism as described by Fuller and Smith (1991). They argue that the facility it offers for customers and management to vicariously control service encounters poses a constant threat to FLSWs. Customers become the eyes and ears of management, providing surveillance on their behalf whilst gaining a powerful control lever in their own right. As for management, their reach has been extended deep into qualitative dimensions of FLSW that were once inaccessible given the costs of traditional forms of monitoring. Hence

²⁶ Doward, J., Munro, M. “Poorer graduates struggle for jobs as unpaid internships soar,” *The Guardian* (15 April 2017).

managements' power to direct, evaluate and discipline reaches new levels via feedback mechanisms that co-opt customers as proxies.

Another strand of management control synonymous with FLSW concerns "aesthetic labour," which has significant implications for stratification as described in the previous section. Warhurst and Nickson (2007) argue that as well as seeking to appropriate and/or reconfiguring emotions in light of their service prerogative (Hochschild, 2012), management also seek to leverage "desired corporeal dispositions" (p.107) as a source of competitive advantage. What they are referring to is the "embodied attributes and capacities of employees" and their exploitation of them to differentiate brands. In doing so they commodify the social capital of FLSWs (see Wright, 2004 & 2005; Leslie, 2002), using recruitment and selection to cherry pick human billboards. The advantage that this affords those who "look good and sound right"²⁷ is evidenced by Sallaz (2009), Wilson (2016) and Williams (2004) above.

Yet another management strategy that has received attention in recent years is neo-normative control, which has some degree of overlap with aesthetic labour in that it centres upon commodification of the attributes that *belong* to FLSWs. Whereas normative control centres upon *moulding* selves as a means of acquiring commitment and effort (see Kunda, 1992), neo-normative control is a strategy that implores FLSWs to "*be themselves*" (Fleming & Sturdy, 2009). The management logic here is that if FLSWs are allowed to bring their "authentic" personalities to work they are more likely to enjoy the experience, with positive "mirror effects" for service quality (Korczynski, 2002: 25). Fleming & Sturdy (2009) found the strategy had the opposite effect for FLSWs, because it actually functioned as a Trojan horse to "selective[ly] enlist" (p.571) a narrow neo-corporate version of "self" within blurry yet onerous parameters. As a consequence the policy led to role confusion and anxiety about appropriate behaviour.

²⁷ This paraphrases Williams & Connell's (2010) title "Looking good and sounding right." The article makes a similar argument to Wilson (2016) on the value that management attaches to aesthetic qualities in FLSW.

Another interesting proposition is “market control” as set out by Darr (2003), which has features in common with customer feedback mechanisms as described above. In this instance management invoke and mobilise customer demands as a way of presenting themselves as a benevolent controlling force, interfering only out of the common good. By specifying customers rather than themselves as the antagonistic force, management pursued intensification whilst obscuring its own role in the process. Darr (2003) comprehended this strategy as one that is tailored to the challenge of managing knowledge work. Its technical sophistication limits the effectiveness of traditional control methods he argues (e.g. technical or direct control), so management focused on manipulating people rather than the labour process.

In summary, there is compelling evidence of both continuity and change in relation to management control strategies between manufacturing and service-led eras. New control mechanisms do not appear to have displaced “old” ones – rather, they appear to have complemented them to form “control hybrids” (Reed, 2011). The next section considers evidence from cases that appear to have risen above the “race to the bottom,” with a view to understanding their differentiating factors.

3.1.4. “Happy houses” and factors that distinguish them

A comparative lack of evidence of FLSW “happy houses” suggests a number of possibilities. One is that happy houses are less common than bleak houses, whilst another is that they have received less empirical attention. Yet another possibility is that researchers may have over-emphasised negative aspects and under-emphasised positive aspects within the studies that have been conducted. This accusation was levelled at Fernie and Metcalf (1998) whose research was discussed above.

One of the few studies that takes upon itself the “happy house” mantle is provided by Jenkins and Delbridge (2014), who focused upon a “model of ‘mass customised services’ which emphasises ... quality and value added” (p.872). What the authors show is that a particular confluence of factors converge to upend cliché Panopticon

dreariness. A key factor was the nature of control and ownership itself, which rested in the hands of charismatic owner/operators who established the business out of frustration over how such businesses are normally run. They held a belief that a differentiated “high road” strategy may thrive by providing an alternative to mass-produced/low-quality service.

Given that the business defined itself in opposition to the proto-typical FLSW factory, effort was expended to ensure a pleasant work environment by management. There were no performance targets; bonuses were ad hoc “surprises” rather than integrated aspects of performance evaluation; and also, FLSWs were at liberty to use their common sense to take downtime at suitable moments. Overall then there was an authentic commitment to FLSWs quality-of-life in terms of both intrinsic and extrinsic satisfaction, bearing in mind that pay was good by local standards according to the authors.

Two additional facets make Jenkins and Delbridge’s findings interesting. Firstly, the authors identify that many of the FLSWs had previously worked at a universally derided call centre nearby. The experience cast a long shadow in my view, perhaps explained FLSWs willingness to reciprocate management’s kindness with high performance. Secondly, neo-normative control was *not* experienced as management manipulation or coercion in this case. FLSWs regarded it instead as a sincere invite to treat the workplace as an unregimented space, suggesting that in some instances neo-normative control may be authentic and conducive to commitment. Trust is perhaps the differentiating factor, because suspicion and confusion (as was discovered by Fleming and Sturdy) strikes me as a likely outcome of an otherwise coercive regime suddenly inviting FLSWs to “be themselves.” My knee-jerk reaction would be to ask *what are they really after?*

An earlier call centre study by Lankshear et al. (2001) exhibited a similarly upbeat assessment of the FLSW experience. Again leadership was a factor because the size and scale of the organisation lent itself to benevolent forms of “simple control” (Edwards

(1978: 95). Concurrently, the personable nature of social relations meant that whilst industry-standard monitoring and surveillance ICT were integrated into the labour process it was not utilised by management in oppressive ways. Once more FLSWs had autonomy and discretion (at least by call-centre standards), and quality of life policies such as job rotation were positively embedded aspects of work design. A final “happy house” factor was the products sold (vacations) were inherently meaningful according to the researchers. In their view FLSWs were not dealing with an empty commodity but rather a “happy” product.

An influential comparative case study by Mason and Osborne (2008) is worth outlining at this point because it implies additional links between products, scope for discretion and FLSW experiences. Such links were theorised in Chapter Two, which posited a potential relationship between skill and knowledge requirements and intrinsic/extrinsic satisfaction (see Figure 2). Along these lines Mason and Osborne found that FLSWs in electrical stores received considerably higher pay than those in food retail whilst also enjoying a greater degree of autonomy. The authors felt this reflected the differential nature of product knowledge requirements and customer interactions, which dually facilitated the commercial viability of a “high-road” model within electronics retail.

Pettinger (2004) expands upon this theme by arguing that retailers seek to position themselves on a continuum so as to align with customers’ pre-conceived expectations of price and quality. Her own comparative case study within the garment sub-sector illuminated a high degree of segmentation. At the elite end of the spectrum were those who bundled together high quality products and high quality service as part of a premium experience for customers. At the other extreme were low-price/low quality operators amongst whom service expectations were minimal as per the deep-discounter model. In between were those with mid-market strategies that exhibited service expectations and prices that reasonably fit between the two poles. Real world examples might be Next (middle), Primark (bottom) and Armani Exchange (top).

The most useful element of Pettinger's analysis is the implication that a negotiated order exists between brand managers and customers premised upon socialised compromises (see Leidner, 1996). The knock-on effect for FLSW is significant, in that some roles are cast with few performative expectations whilst others are cast with an expectation of sophisticated acting. Thus the nature of the labour process and its degree of qualitative/quantitative orientation is derived from the strategic positioning of the organisation within a given sub-sector. Pettinger (2004: 180) summarises the interconnections as follows:

“customer service is in part an interaction between worker and consumer but is framed by the ‘service culture’ of the brand, expressed through the products, the store and the work that is involved in enabling service and resulting from economic impetus of the organisational to sell.”

Summary: Not the inevitable bleak house?

Whilst some of the research presented here cannot necessarily be proclaimed “happy house” as such, it does nonetheless paint a less foreboding picture than preceding accounts. Certain factors appear conducive to better work experiences including simple/paternal control; authentic implementation of quality-of-life policies (e.g. job rotation); a significant degree of discretion and autonomy; sincere neo-normative control policies; and also, working with positively meaningful productions. Skill and knowledge content also appear to lend themselves to the possibility of “high road” models that may afford better pay and job conditions.

What appears to separate bleak houses and happy houses then is the presence or absence of these factors. Such a tentative conclusion is supported by survey research in Sweden on the retail sector (Andersson et al., 2011). Contrary to the popular image derived from research in Anglo-American context, they found a “highly positive picture of the

experience of retail employment” (p.266). At one level of analysis they attributed their findings to well-functioning workplaces that feature many of the characteristics of happy houses just described. At another level though they argue:

“clearly the results of our study cannot be explained by the existence of some enlightened companies, store managers or the chance factor. Instead we need to find explanations on the institutional level and to the extent that the Swedish retail sector is a participant in the norms of employee relations in the national labour market”

(Andersson et al., 2011: 271)

What makes Andersson et al.’s remarks noteworthy is the link it posits between macro, meso and micro-level factors. As with Pettinger the authors highlight how management strategies are not devised in a vacuum and are in fact constrained and enabled by extra-organisational forces and factors. A logical corollary of Andersson et al.’s remarks is that FLSW experiences are structurally nested in national political economies.

Section Two: People on the frontline

An over-arching theme in the evidence presented so far is the pre-eminence of management and its deployment of agency as the force shaping FLSW experiences. They do after all devise the commercial, operational and HR strategies based on their perceptions of risks and rewards *vis-à-vis* labour and products markets. They also develop and enforce control systems that seek to align FLSW with their prerogatives at the point of production/consumption.

It is interesting then that some research has called management dominance into question, suggesting that it may be more a matter of perspective or *point of view*. At the

unit-level of analysis²⁸ there is counterpoised evidence of organic cultures, counter-cultures and un-official hierarchies that distort and subvert management's agenda. There is also evidence of individual-level powers and properties that enable FLSWs to reconfigure the meaning of work. In addition a range of findings highlight FLSWs ingenuity in turning "constraints" on their head and mobilising them as power resources. Still other studies suggest the existence of anti-management collusion amongst FLSWs and customers. Recognition of these findings lends credence to the notion that FLSW remains a stage for social relations, irrespective of top-down control.

For example, in a nuanced account of social relations at the point of production/consumption Bolton and Houlihan (2005) provide a perspective that deviates remarkably from cultural turn assumptions (see Chapter Two). They argue that customers are far more heterogeneous in their wants and expectations than "linguistic terrorists" (p.686) suggest. Whilst some "mythical sovereigns" were lulled into false beliefs concerning their right to rule according to the evidence, two other customer types were apparent - "functional transactants" and "moral agent" (p.699). The former refers to people who seek to achieve their goal(s) with minimal service input and maximal time efficiency. The latter refers to those who represent themselves as part of a higher moral order premised upon enlightened ideals such as justice, fairness and goodness. Given the potential gap between customer expectations and management "truth," Bolton and Houlihan argue that customers actually feel like "victims of the system [too] – trapped in an unforgiving cycle of so-called quality service provisions." (p.695). In effect they are in a mirror position to that of FLSWs, stuck between management illusions and the policy constraints they impose upon FLSW actors.

What Bolton and Houlihan highlight is the inherently economic *and* social nature of FLSW, featuring different actors with different expectations of the service "stage." Because of this FLSWs have to act as "contradiction reconcilers" (Korczyński, 2008), mobilising their own resources (moral, ethical, commercial, normative, etc.) as part of performances in which customers mobilise theirs. Playing the part well requires acting

²⁸ A unit is defined here as a "single and clearly demarcated service operation" (as per Hales and Nightingale, 1986; Lloyd & Payne, 2014).

skills amongst FLSWs, which Bolton & Houlihan (2005) take as evidence to the contrary of “linguistic terrorists” who treat them as “cultural dupes.”

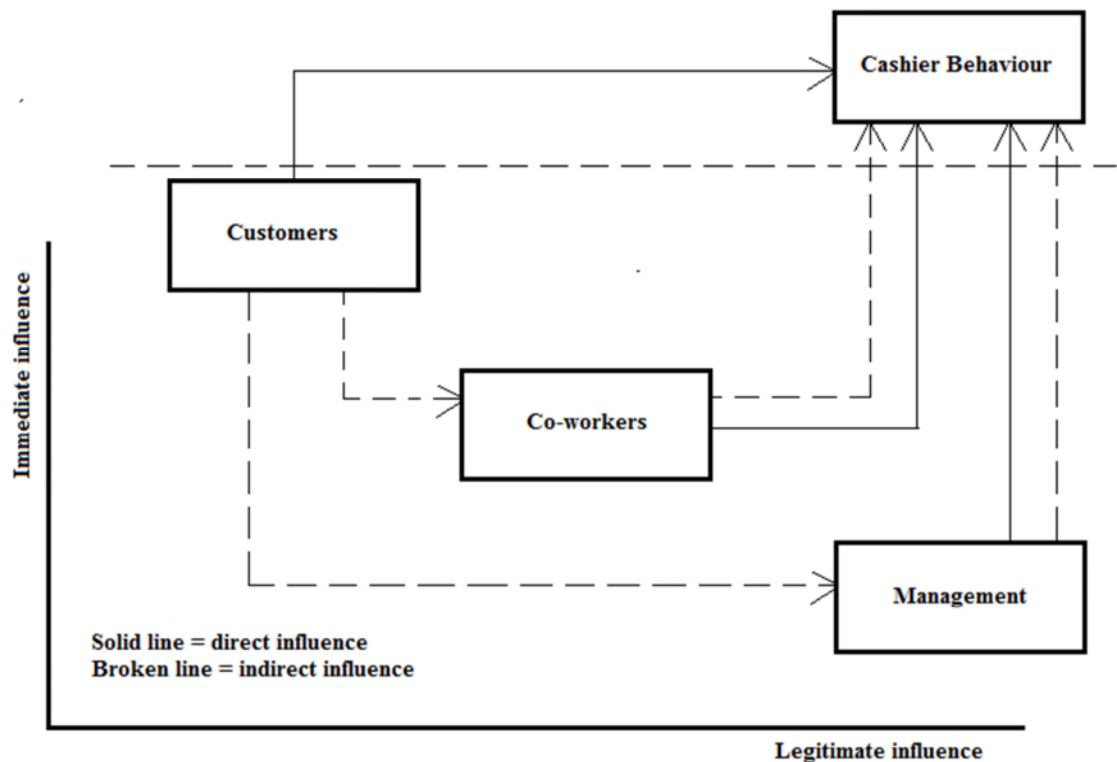
The social sophistication of FLSW is further apparent in various ethnographies of service settings. In her study of betting shops Filby (1992) shows how female FLSWs made use of their sexuality as a power-resource to control male managers and customers. Mocking, ridicule and flirtation were each mobilized as mechanisms to regulate behaviour either through reward or punishment. Thus despite organisational rules in a highly regulated sub-sector, Filby (1992) argues that localised and individual-specific factors held great sway over the work experience. A vibrant culture mediated socio-economic relations, underpinning a negotiated order that regulated the setting.

Benson (1978) and Paules (1991) made analogous observations of waitresses and department store workers. Paules found that whilst waitresses had little power over the structural constraints that governed their work, they did retain considerable power to resist management and customer control. These powers were generally subtle but nonetheless effective in restoring acceptable settlements between role set constituents. Benson’s research derived complementary observations. As with Filby she emphasised the centrality of organic workplace cultures to the establishment of FLSW practices. These were constrained but not determined by management, who were disempowered by their dependence upon FLSWs capacity to cater to affluent clientele. This interdependence led to patterns of conflict and accommodation, with neither party able to make unilateral changes to the prevailing order without consequences.

One of the most instructive unit-level studies is Rafaeli’s (1989) work on supermarket cashiers, which is one of the few explicit attempts at resolving the conundrum over who holds sway over FLSW. Her conclusion, as expressed in Figure 5, was that customers have more “immediate influence whilst cashiers are on the job” whilst management’s influence was “legitimate but remote” (p.247). She attributed the greater immediate influence of customers to five factors: physical proximity; duration of proximity; customer feedback; the volume of information exchange; and the value FLSWs hold in

customers. In line with Paules (1991) and LTP tenets generally (see Chapter Two), Rafaeli contextualises her claims by arguing that an indeterminate battle for control lies at the heart of service encounters. In stores FLSWs and customers contested each other's right to dominate proceedings and conflict manifested as a result.

Figure 5: Relational dynamics driving the FLSW experience



(re-produced from Rafaeli, 1989, p.254)

Rafaeli's attempt at evaluating the relative power of role set actors once more underlines a potential risk of over-emphasising management in the analysis of FLSW. Her data highlights how in day-to-day terms, the battle line may be drawn along the FLSW-customer axis rather than the worker-management one. That said, a problem with this notion is that it may understate management's historical role as the shaper of the systems and structures that generate conflict along the worker-customer axis in the first place. In this sense management may be argued to act as the hidden hand even in service encounters. It is worth recalling that many of the factors that conflict may relate to are unilaterally governed by management as Lloyd and Payne (2014) and Grugulis et

al. (2010) found. These include price mechanics, stock levels, stock listings, staffing levels, EPOS functionality, store layout and labour process design.

Another problem with Rafaeli's account is that it is difficult to discern whether some of her supporting evidence is better regarded as expressions of power or powerless-ness. For example, she argues that customers' participation in the labour process (e.g. by packing their own shopping, heckling and badgering staff) are indicative of their power. Yet these could just as easily be construed as expressions of frustration at their *lack* of control, making claims over "immediate influence" more tenuous in my view.

To summarise, I would argue that a compelling case exists for an agnostic approach to the study of the FLSW experiences once studies at different level of abstraction are juxtaposed. What I mean by this is that emphasis should be attributed on the basis of inductive and "retroductive" reasoning rather than simple inferences about the relationships amongst and/or between actors (management, FLSWs, customers) and parts (systems and structures). I argued in Chapter Two that theoretical accounts of FLSW have tended to under-emphasise agency and veer too close towards technocratic or structural-economic determinism. The distinguishing feature of the body of evidence is a tendency to either (a) focus on the experience of stage actors to the exclusion of broader socio-economic relations or (b) focus on management and control to the point where it is hard to see much else.

Section Three: Discussion

The picture that emerges from a review of evidence has two main features. Firstly, it suggests that crude generalisations about the experience of FLSW risks overlooking forces and factors that are obscure at given levels of analysis. The socio-economic sophistication of FLSW at an intersection point of production and consumption should militate against reductionism. Bolton and Houlihan (2005: 692) express this sentiment when they argue "*it is important to see that the extent of control upon those involved in service encounters ... will be limited by the variability of the human character and the creative capacity of both employees and customers.*" Analytically neither the structural-

level (macro) nor people-level (micro) should be granted pre-eminence *a priori*. The task of the researcher should be to synthesise the powers and properties of both to the extent that is possible.

Regardless, a consistent theme above has been the significance of power/control dynamics as forces and factors that frame FLSW experiences. This speaks to the conceptual limitations of a unitarist worldview (see Korczynski, 2002: 37-39) which is premised upon a belief in the fundamental harmony of interests between role set constituents. A more tenable position is that relations of production and consumption embody a fundamental *disharmony* with structural and materialist roots. As a reflection of this, the most convincing accounts of the experience of FLSW exhibit pluralist assumptions linked to the LPT tradition (introduced in Chapter Two). It is worth taking a moment to expand upon these assumptions so that their significance may become clear. The first assumption is that a *structural antagonism* underlies the employment relationship (see Bélanger & Edwards, 2013), meaning that there are competing interests between owners/agents of capital and labour. The second assumption is that *indeterminacy* is inherent to the contract of employment, which derives from employers' inability to buy *realised* labour power. Strictly speaking capital can only buy labour time unambiguously, meaning that control systems (including a dedicated management class) are necessary to turn *potential* labour power into *actual* labour power. The final assumption is that power is *asymmetrical*, meaning that conflicts over such things as "a fair day's wage for a fair day's work" are heavily stacked in capital's favour.

With a view to the evidence presented above, I would argue that the centrality of control at all levels of analysis validates LPT's analytical emphasis on patterns of conflict and accommodation (Edwards, 1995). If there is a chink in the armour of LPT though it resides in its limited reach into the *social* side of economically antagonistic relations. It is on this basis that I opted to include some of the more enlightening micro-studies of FLSW (e.g., Benson, 1978) that explicitly fix their gaze upon the "stage actors." Viewed at this level the experience of FLSW appears to take on another character, where management and political economy fade into the background and actor's

everyday lives become the foregrounded spectacle. What emerges here is a world of “figures, personalities and bums” as Filby (1992) put it. At the unit-level of analysis colleagues, customers, and local factors may well have more “immediate influence” than remote powers in distance places. Few studies of FLSW have adequately sustained a stratified analysis of the powers and properties of *people* on the one hand and *systems, structure* and *processes* on the other hand to bring clarity (see Ackroyd & Fleetwood, 2000). The importance of the balancing act boils down to the fundamental *indivisibility* of social and economic dimensions of FLSW, which calls upon an analytical framework adept at incorporating both.

Moving on, the second main feature of the evidence base is that it does substantiate some of the theoretical propositions set forth in Chapter Two. For instance, Frenkel’s (2006) model of mass-service/mass-customised FLSW (see Figure 2) appears validated to some extent in its depiction of their causes and consequences. Mason & Osborne (2008) in particular lent support to a link between job content and FLSWs experience. Pettinger (2004) also showed how market segmentation forges service/quality bundles with profound effects upon the composition of FLSW roles. Another theme borne out by studies is the hour glass conceptualisation of service economies. Several investigations surfaced evidence of management retreating into its own semi-detached orbit in some senses, relying upon control hybrids and deploying a form of weaponised polarisation.

With these findings in mind it is perhaps reasonable to argue that the balance of “bleak house” and “happy house” accounts fairly reflects the polarised bottom-feeding/bottom-breeding state of Anglo-American service economies. Even though there are concrete examples of high-performing “happy houses” in archetypal mass-service sub-sectors, there remains scant evidence of widespread adaptation amongst large FLSW organisations.

As was clarified in Chapter One, the selection of the WC case was inspired by the outward appearance of a large FLSW organisation adopting a “high-road”/“mass

customised” model based on graduate-only recruitment. I hoped to understand how this model sustains itself and resolves the contradictions that supposedly go with it. I also wanted to further illuminate life on the frontline of such an organisation, as my research question indicates:

What are the forces and factors that shape the experience of FLSW in Wine Corp?

The next chapter explores the methods and methodology I mobilised in pursuit of my quarry. It also lays the groundwork for a “critical realist” theoretical framework that will be built upon in Chapter Nine.

CHAPTER FOUR: METHODS & METHODOLOGY

The present discussion seeks to clarify the procedures that were used in service of the research agenda, as summarised in Chapters One and Three. It also seeks to illuminate the decision making processes that orientated my methodology whilst laying bare philosophical foundations. The chapter therefore commences with an overview of critical realist philosophy (CRP). Attention is drawn to its central tenets and points of distinction *vis-à-vis* alternative theoretical frameworks. These are considered in light of extant theory and research on working lives so as to underline the opportunity that CRP presents in extending the boundaries of knowledge.

Subsequent to a review of the epistemological implications of CRP, it will be argued in Section 2 that a longitudinal ethnographic case study represents an ideal embodiment of CRP principles. The core elements of the methods will be explored to further underline ontological/epistemological fit, drawing upon Dalton's work to illustrate its viability for the task in hand. Section 3 then hones in on practical matters, covering the whole gamut of data collection and analysis. Section 4 focuses attention on data veracity and participant protection measures, with the latter taking on special significance in my research given the methods deployed. Finally, Section 5 reiterates key themes and evaluates my approach in light of arguments set out in previous chapters.

Section One: Ontology and epistemological assumptions

The most important objective accounts of FLSW were set out in Chapters Two and Three. LPT for example embodies the materialist assumption that a structural antagonism lies at the heart of the contract of employment (Edwards, 1986; 1990), setting the stage for workplace pluralism. Hochschild's theory of emotional labour mobilises the same basic premise. For her, capitalism is an inherently exploitative system and social relations at the point of production/consumption are a manifestation of that *in the first instance*. These accounts thus share the same ontology that extra-discursive *things* exist in the social world, and exert themselves upon workplace relations in profound ways.

A second school of thought posits work experience as a “discursive” phenomenon that may *only* be understood with due consideration of subjectivity and social-psychological mediations (see Watson, 2002). The work of prominent authors such as Du Gay et al. (1996; see also Westley, 1990; Hopkinson, 2003; Ezzamel & Willmott, 2008; Rouleau & Balogun, 2011) reject the possibility of extra-discursive *things* existing, and pre-suppose an ontology of a social world constituted in discourses alone (Ackroyd & Fleetwood, 2000). The implication for the conceptualisation of FLSW is that practices and actions are forged solely by “discursive formations” that are outcomes of thought and language (Du Gay et al, 1996; Reed, 2005).

This latter philosophical approach to an understanding work-life does have its merits. For example, to suggest that FLSW is socially constructed is useful for the purposes of explaining its changeability, given the temporality of discursive formations and their effect upon actions and practices. Despite this, to ground explanations of FLSW *exclusively* in discourse theory creates fundamental problems whilst perhaps circumventing others. Firstly, if FLSW is rooted in discourse alone then surely groups of workers should be able to talk constraints upon their role out of existence? (Sayer, 2000a). Yet considerable evidence suggests that it remains deeply entrenched in hierarchical constraints (see Hales 2002). Secondly, if FLSW is temporally socially constructed then it seems reasonable to expect it to be significantly changeable across time, space, and organisations? Yet again, compelling evidence suggests that stability and continuity prevail to a greater extent than change (see Hales & Tamangani, 1996; Hales 2005; Tengblad, 2006). A third problem with discourse theory is that advocates often reduce individuals (with *unique* properties and powers) to subjects, equally vulnerable to discursive power (see Ackroyd & Thompson, 1995; Reed, 2011). How and why particular individuals mobilise, adopt or resist discourses in different circumstances thus remains ill-explored (see Watson, 2002, for such an example).

In summary, accounts of FLSW tend to be firmly entrenched in either “objective” *or* “discursive” explanations and consequently side-line actors and/or social systems. This impasse has important negative consequences. Chiefly, those with a structural bent have difficulty in explaining variability and heterogeneity and change over time.

Alternatively, those who reduce FLSW (and experiences of it) to discourse struggle to explain continuities but do provide a viable explanation for the basis of change.

4.1.1. The basic premise of critical realist philosophy

One of the distinguishing characteristics of CRP is that it substitutes a “flat ontology” for a “stratified” one (Sayer, 2000a). This stratification involves a conceptual separation of three intersecting social domains: “the empirical,” “the actual,” and “the real.” In Roy Bhaskar’s (1989) oft-cited *Reclaiming Reality* “the real” is defined as *whatever exists* regardless of whether we are cognisant of its nature. It is the dominion of interrelated objects and structures which each have distinct causal powers, properties and liabilities (Carter & New, 2004). These foundational powers often lay dormant and/or concealed at the empirical level but are nonetheless determinant of “*how it really works*” (Watson, 2011).

In contrast, “the actual” concerns tangible manifestations of “real” powers when they are activated and “what eventuates when they do” (Sayer, 2000a: 12). It is thus concerned with events and happenings during which the “real” superimposes the “empirical” (Carter & New, 2004). This latter term refers to the domain of lived experience which Bhaskar (1989) describes as a “subset of the actual.” It embodies the “transitive realm” of discourses and discursive formations and the subjective “life-world” of agents (Sayer, 2000b; Schutz & Luckmann, 1974), who are each equipped with their own distinct powers and properties (Archer, 1995).

Bhaskar’s (1989) stratification has important implications for the analysis of the experience of FLSW. It suggests that whilst work is *in a sense* socially constructed and discursively mediated, it is nonetheless pervaded by extra-discursive causal structures at deeper rooted levels. CRP therefore clarifies the interplay between objects and agents by positing them as mutually but separately causal. Thus FLSW is partly driven by agential powers and properties that “can be causal” (Carter & New, 2004) although this

agency is both constrained and enabled by relatively autonomous, stable and enduring objects.

4.1.2. The transitive and intransitive realm, analytical dualism and anteriority

A conceptual separation between the transitive and intransitive domains resonates with the preceding debate over structural *vis-à-vis* discursive determinants of the experience of FLSW. This is because CRP in the first instance posits a social world of objects that exist “out there” and beyond an individual’s knowledge and thoughts. This is referred to as the “intransitive” realm, a domain of structures and “things” that exhibit a relative autonomy to act upon us and govern social relations. Yet, to say that they are *relatively autonomous* (Archer, 1996) carries the important implication that objects are not impervious, and are vulnerable to re-constitution from within the “transitive realm.” This refers to the socially constructed domain of temporal and contested knowledge and discourses that emerge within the open social systems of innovative human agents (Sayer, 2000a).

The interrelationship between the transitive and intransitive realms has been best articulated in the work of Margaret Archer (1995, 1996). Following Bhaskar (1989), Archer argues that an “analytical dualism” is necessary to examine social life. That is because on the one hand the discursive (transitive) realm is ontologically distinct from the intransitive realm of objects. On the other hand, analytical dualism is *necessary* for the purposes of analysing the interplay between those forces that transform and reproduce social activity and the reasoning power of actors. As Archer (1996: 693) puts it: “analytical dualism provides the most powerful tool in practical social science, yet one which has been slow to develop and whose full potential in terms of theoretical purpose and practical utility have still to be fully recognised.” Archer further argues that this hampered deployment has related to an *a priori* failure to qualify structure and agency as analytically distinct *and* temporarily separated.

This brings us to the key theme of “anteriority.” For Archer (1996) “structure” and “agency” equally shape the experience of work, and yet their mutual effects are apportioned and separated by time. Structures (the intransitive realm) precede people, and exhibit autonomous and enduring powers and properties that constrain and enable actors. At the same time people are innovative, reflexive and reasoning; able to respond contingently to shifting contexts in a way that may ultimately (but not straightforwardly) change “real” objects for future generations. Anteriority thus implies that the agential power of today’s actors may either reinforce and/or gradually modify pre-existing structures, which will then act to constrain and enable future generations in turn (Archer, 1996). By implication new generations do not enjoy a free hand to instantaneously re-construct the social world as they see fit, as prior generations promulgate and bequeath a legacy of structures that limit their capacity to do so.

In summary, CRP provides concepts that may be mobilised for the purposes of bringing together discourses and structures into a coherent, stratified explanatory framework of work life. Exactly how these analytical tools will be transmuted into a practical research design is explored in the next section.

4.1.3. Epistemological implications for the study of work experiences

Numerous implications may be derived from the principles of CRP as they relate to a comprehension of what shapes the experience of FLSW. “Epistemology” refers to *how we may study or come-to-know what exists* (Ackroyd & Fleetwood, 2000). Firstly, CRP presupposes a social world that is “*out there*” and “*in some central respects*” available to researchers via observational methods akin to those utilised in the study of natural phenomena (Carter & New, 2004: 1). Therefore it stands to reason that in order to reveal the complex realities of FLSW, we should observe it closely and rigorously.

Secondly, CRP suggests that a research design based upon snapshots may fail to capture the *essence* of the phenomena under study because underlying “real” structures and mechanisms are neither immediately nor empirically available (Bhaskar, 1989). Hence a

requirement for a sustained and systematic study over time that may tease out causal chains not immediately available for analysis.

Thirdly, CRP envisages an emergent social world in which actors and structures each have their own properties and powers that intersect unpredictably and contingently to produce outcomes within finite contexts (Archer, 1995; 1996). From this we may infer that if we are to analyse divergent outcomes (e.g. why FLSWs act/react differently), we are required to observe and theorise the dynamics of these contingencies and contexts in turn. It is difficult to see how this may be achieved without a research design that achieves up-close and immersive access to the phenomena in question.

Two further epistemological implications warrant emphasis. On the one hand, there is a requirement to capture the *particular* powers and properties that agents deploy and how this intersects with FLSW experiences (Taylor & Bain, 2004). Attention to subtle individual differences in how people construct themselves and perceive their space may illuminate the effect (or lack of effect) of individual characteristics. In this regard, there is much to be gained from a study of different FLSWs across comparable contexts (see Delbridge, 2004). On the other hand, researchers are also required to capture the *particular* powers and properties of objects so that we may understand their nature and effects (Carter & New, 2004). As will be described below this involves a process of analysing backwards; firstly, by identifying patterns at the empirical level through rigorous observation and data analysis. Secondly, by “reverse engineering” models that may explain these patterns.

Section Two: A longitudinal ethnographic case study

Each of the preceding epistemological implications points to longitudinal ethnographic case study design. Longitudinal means *repeated observations over time*. “Ethnographic” refers to “the researcher ... participating in people’s daily lives ... watching what happens, listening to what is said, and/or asking questions through formal or informal interviews, collecting documents and artefacts – in fact, gathering whatever data are

available to throw light on the issues that are the emerging focus of enquiry” (Hammersley & Atkinson, 2007: 3). A case study may be defined as “an empirical inquiry that investigates a contemporary phenomenon within a real-life context where the boundaries between phenomenon and context are not clearly evident, and in which multiple sources of evidence are used” (Patton & Appelbaum, 2003: 60).

Perhaps the most poignant way of exploring the practical implementation of the methodology is to review a classic study. Dalton’s (1959) investigation of workplace relations is a good example because it continues to be regarded as one of the most insightful studies on the social and political dynamics of organisations (see Hales, 1999). Its depth of detail and “thick description” (Geertz, 1973) are made possible by the author’s exceptional deployment of ethnographic practices in my view.

A first key feature of Dalton’s approach - one that corresponds with ethnographic practice generally - is that it does not embark with a refined research question or plan. Rather, his starting point was a general interest in the nature of managers’ work that he would seek to pinpoint once in the field. To that end he assumed a full-time staff role and soon stumbled upon an ill-explored quandary with problematic implications for pre-existing literature. As Dalton (1959: 3) describes “[as] a participant at Milo and Fruhling, I was repeatedly puzzled by the gap between official and unofficial ways of doing things, and by the emotional splits and name calling among associates.” Such quandaries commenced a process of empirical and analytical “funnelling” (see Figure 7 for an illustration) for Dalton (1959), which honed his focus incrementally.

Given the sensitive nature of the subject matter and the difficulties that would arise from alternative approaches, Dalton opted for covert participant observations as the primary means of data collection.²⁹ This was supported by what he termed “conversational interviewing,” (p.280) by which he meant seeking to explore key topics covertly and during the course of mundane daily conversations. In addition, Dalton negotiated access to confidential documents (e.g. staff records) to explore links between

²⁹ Dalton (1959) did not debate ethical issues associated with covert research.

the data they contained and the foci of his investigation. His evidence was then collected and collated in work diaries which detailed amongst other things observations, utterances, hunches, and tentative links. These propelled a feedback loop of further field exploration alongside refinement and modification of the object of the study itself. Along these lines research questions would be dropped, added, or re-phrased; data would be re-classified or re-categorised; and “errors of interpretation and emphasis” (Dalton, 1959: 278) would surface re-orientating the project.

Whilst Dalton does not specify his job role (in the main research site) so as to protect key informants, he does discuss its suitability to the overall task. Firstly his role required considerable time amongst line managers on the shop-floor, making it conducive to “conversational interviewing” and first-hand observations. Secondly his relatively unbound role assisted in the development of a network of informants whose actions, utterances, and interpretations eventually formed the bulk of the data. These factors relate to a key assumption of ethnography: that valid representations of the phenomenon under study are crucially dependent upon the researcher’s ability to immerse themselves in the theatre of study.

Characteristics of ethnography

Several common denominators of ethnography are apparent in the prior discussion of Dalton (1959). One such example is the inductive process upon which ethnographic research is premised. Neither the questions nor the specific mode of investigation are usually clarified *a priori*. Rather, they are derived from the researcher’s broad interests (e.g. managers’ work) as well as their on-going literature review and provisional field activity (Hammersley & Atkinson, 2007). Two additional characteristics relate to the subtleties of ethnographic analysis. Firstly, data collection and evaluation occur concurrently (rather than sequentially) and cross-germinate one another. Secondly, analytical categories do not precede data collection but emerge incrementally (and often with considerable revision), as the researcher moves back and forth between data collection and analysis and as the focus narrows or shifts (ibid.). Such characteristics

represent a stark contrast with standard practice in quantitative research, where questions and categories are antecedents of data collection and analysis.

To build upon this comparison another contrast between ethnographic and quantitative research relates to the tools practitioners use. Quantitative researchers seek to transmute social enquiry into objective instruments that may yield representative findings communicable in “formal” (mathematical) language (Halfpenny, 1979). In contrast, ethnographic research is overtly dependent upon the researcher’s actions and interpretations. Their primary instrument is their own ability to see and hear; to ask pertinent questions; to accurately record data in dynamic “open systems” (Patton & Appelbaum, 2003) and to synthesise explanations for the phenomena under study.

A final key characteristic of ethnographic research is concomitant epistemological assumptions. Ethnographers would argue firstly that their research captures “truths” beyond their subjective dispositions, whilst secondly they would argue that their research yields highly valid insights that are otherwise unattainable (Watson, 2011). In relation to the former claim, contemporary ethnographers do not aspire to generate “final truths” (ibid, p.208) and seek instead to develop accounts of “relative plausibility” (Roulston, 2010: 202) or “probable truth” (Thorne, 1997: 125). In relation to the latter, such a claim is born of two key assumptions. Firstly, causal explanations for social phenomenon are assumed to be uniquely ascertainable via an in-depth focus upon contextually grounded action (Hammersley & Atkinson, 2007). Secondly, “meanings” are assumed to be paramount in ascribing explanation to social phenomena and ethnography is deemed to have unique capacity in exploring them (ibid.).

For the sake of brevity I have located a general discussion of the pros and cons of ethnography in the Appendix (Section 1). It shines a light on some of the most insightful and rigorous organisational studies carried out with similar objectives to my own, in order to illustrate the fit between research objectives and design. A “S.W.O.T” analysis (Table 2) summarises key points that are factored into my approach to data collection and analysis – the subject of the next section.

Table 2: S.W.O.T analysis of an ethnographic case study

Strengths	Weaknesses
<ul style="list-style-type: none"> • Underpins detailed "thick" description. • Flexibility- the researcher is not tied to early design decisions. • Promise of valid data. • Can be used to access remote and difficult to access phenomena. • Penetrates and accesses sub-cultures, group norms and values etc. • Surfaces the mundane, taken-for-granted aspects of daily life. • Useful for a fresh look at well-trodden ground. • Proven technique for examining how the individual, organisational, social and political intersect. 	<ul style="list-style-type: none"> • A large/unmanageable volume of data can be accumulated. • Verstehen - it is impossible to separate the researcher from the researched. • Incompatible with claims of representativeness. • Cannot support generalisations to broader populations. • Questions over rigorousness and selectivity bias are a challenge to overcome.
Opportunities	Threats
<ul style="list-style-type: none"> • Scope to pursue the un-anticipated. • Useful for theory generation, elaboration and testing. • Enables the study of meanings and interpretations as events unfold. • Triangulation enables thorough/credible investigation. • Longitudinal research may tease out subtleties. 	<ul style="list-style-type: none"> • Role as researcher may not allow adequate access to unit of study. • High dependence upon the continued support of a small number of actors. • Lack of transparency may undermine credibility. • Quality of the study is heavily dependent upon the ability of the researcher. • Ethical issues – there is distinct possibility for harm; for example, by exposing illegal, illicit or immoral behaviour.

Section Three: Details of the case study, methods and methodology

4.3.1. Case study and unit of analysis

As the research question indicates the unit of analysis is FLSW. The primary objective is to articulate the experience of FLSWs by shining a light on “high-road” “mass-

customised” model(s) within the service sector. The concept of “mass-customised” was summarised in Chapter Two, where it was theorised as a half-way house between knowledge work (high skill, high autonomy and high rewards) and mass service production (low skill, low autonomy and low satisfaction). Organisations pursuant of the latter tend to adopt “low road” strategies as a reflection of intense price competition at the bulk/commodity end of the service spectrum. In contrast, knowledge work and more premium forms of FLSW are commonly associated with “high road” strategies. Adopters are thought to offer a more humane work experience with better job conditions, opportunities for growth and intrinsic/extrinsic rewards.

With that mission in mind WC was selected as the case study organisation for three main reasons. Firstly it proudly proclaims itself a good FLSW employer, exhibiting many archetypal hallmarks of a high-road model. The company has a large graduate scheme that regularly features in “Top 100 Graduate Employers” lists, whilst the majority of its FLSWs are graduates in the early stages of their career. It therefore offers an interesting opportunity to compare rhetoric and reality alongside theory and practice. Secondly WC is an ideal “*qualifying case*” to examine Frenkel’s (2006) claims on mass-customised service work. As Vincent & Wapshott (2014: 158) argue “*given the partial nature of all theory and the complex, open, and multiply determined nature of reality, theories will inevitably need to be qualified in relation to particular circumstances.*” WC’s history as well as its competitive strategy and market position (see Chapter Five) makes its particular circumstances an enlightening example of “mass customised” in action. Thirdly, I have been through WC’s graduate management scheme and therefore benefit from “insider” status therein. With hindsight, I struggle to imagine an outsider being able to capture the experience of FLSW in WC without becoming a “part of the furniture” as I did.

4.3.2. Access and negotiation

I was given permission to conduct longitudinal participant observations at multiple WC sites and to perform interviews with FLSWs subject to their consent. Permission was also granted for the analysis of a range of internal documents, with the proviso that

commercially sensitive information would not be published. A formal access request was submitted to the Retail Director and negotiations progressed over the following three months with an ever expanding circle of inclusion at HQ and local levels. As the conversation developed “informed consent” was ascertained from gatekeepers and prospective participants (Hammersley & Atkinson, 1995) - many of whom expressed keen interest. There is little doubt that such enthusiasm was a partial consequence of long-term collegial relationships. The purpose of the research was described in general terms as “*an attempt to better understand retail work.*”

Out of this process an agreement emerged over who would be involved and how they would contribute, discussed further below. Prior, it ought to be stated that no conditions or restrictions were placed upon the research beyond a “quid-pro-quo” that I work overtime for the organisation during peak trading periods. It was also requested that I suspend extra-ordinary research activities (i.e. interview) during these periods.

4.3.3. Observations

Systematic observations were carried out in two phases over a four-year period (2014-2018), although I was initially recruited into the organisation in 2009 and had begun tentative investigation in 2010.³⁰ The primary purpose of participant observations was to continue on my journey of “deep-immersion” within the WC FLSW context (Hammersley & Atkinson, 2007). Throughout the research period I worked in close quarters with observed colleagues, shadowing their experience and contributing to it throughout the day. Thus I was involved in the full spectrum of daily activities, “fitting-in” to the extent that was possible and actively participating as a co-worker rather than acting as a “*fly on the wall*” (following Watson, 2001).

Conscientious attention was paid not only to the substance of FLSW but also to how it was framed and mediated by instructions, emotions, narratives, linguistic practices and

³⁰ I contacted my thesis supervisors in 2010 to pitch the research proposal.

so forth. The identification of contradictions and/or congruencies between talk and reality informed analysis of the relative power of determinate factors. As stated above, a basic premise of CRP is that patterns that cannot be fully explained at the “empirical level” (Bhaskar, 1989) because they are anchored by sub-empirical phenomena.

Six stores were subject to observations and three were the primary focus of study, being observed on more than forty occasions. The number of observations was driven by my work schedule as a part-time paid employee of the company. It is fair to say that in terms of understanding the day-to-day I long surpassed the point of diminishing marginal returns towards the end of study. That said, its lengthy duration proved critical to the main contribution (see Chapter Nine) which only revealed itself in the final stages of my investigation. As for sample size, six stores represented a pragmatic compromise between the dual aspirations of “breadth” and “depth.” Breadth was considered desirable because it may enable the elucidation of similarities and differences across similar contexts. “Depth” was considered beneficial in the sense that observing individuals across a range of circumstances, situations and events seemed likely to illuminate nuances and complexities that may enrich the CRP analytical process (Carter & New, 2004).

Sample selection was partly opportunistic, in that stores within commutable distances were selected where I happened to have pre-existing relationships with FLSW teams. However, interesting distinctions between sites was also a factor. The most significant distinctions were total sales and team size, which past experience suggested to be significant bases of variation. Another intriguing distinction (that emerged in the early stage of the research) was the *type* of retail space stores occupied, i.e., their size, layout and the extent of front-stage/back-stage space. Basic details of the retail units subject to observation are set out in Table 3.

Table 3: Sites and characteristics

Store	Annual sales	Team size (2018)	Characteristics	Days of routine participant observation
Pear Tree	£2m	Full time: 4 Part time: 2	Large bottom-of-high-street retail unit in a premium dorm town.	40+
Canalside	£1.4m	Full time: 2 Part time: 3	Two floored warehouse on the main road. Affluent and conservative.	100+
Edgewold	£1.8m	Full time: 4 Part time: 1	Dilapidated unit in an off-centre location. Mixed economy town; on the outskirts of London's commuter belt.	8
Green Bush	£1m	Full time: 2 Part time: 2	Small unit on the bottom floor of an office block. Located in the urban sprawl of a major conurbation.	10
Oak Leaf	£1.4m	Full time: 2 Part time: 3	Mid-sized unit; up-market exurb; bottom floor of apartment complex.	8
Vale	£1.1m	Full time: 2 Part time: 2	A two-tiered former car show room in a mixed use commercial zone on the outskirts of the town.	40+

As Table 3 shows there were over two hundred days as participant observation, which took the form of the “complete participant” (Spradley, 1980). What distinguishes this approach from “active participation” is that I was immersed in the case study organisation *before* I began the formal research process. Whilst my job title was *part-time sales assistant* it is fair to say that I exceeded my role due to prior knowledge and experience. For much of the research period I was an unofficial trouble shooter in “Region X,”³¹ plugging holes in rotas. This was ideal for the purposes of the research because I was an *ad hoc* member of multiple teams.

³¹ The retail division is geographically divided into ten regions. My sites were all within “Region X” – see Figure 6.

To document interesting insights and events as the day unfolded I would use a notation app on my phone, which I found more practical than paper and pen. Amongst other things a thumb scanner made the content of my phone private whilst a note pad would not have been, given my inability to keep it on my person during work-time. Notes were written up and fleshed-out on a secure home computer, with the time lag rarely more than a couple of hours. The main priority was to capture evidence accurately whilst at the same time getting thoughts and ideas documented for later consideration.

4.3.4. Further investigation via interviews

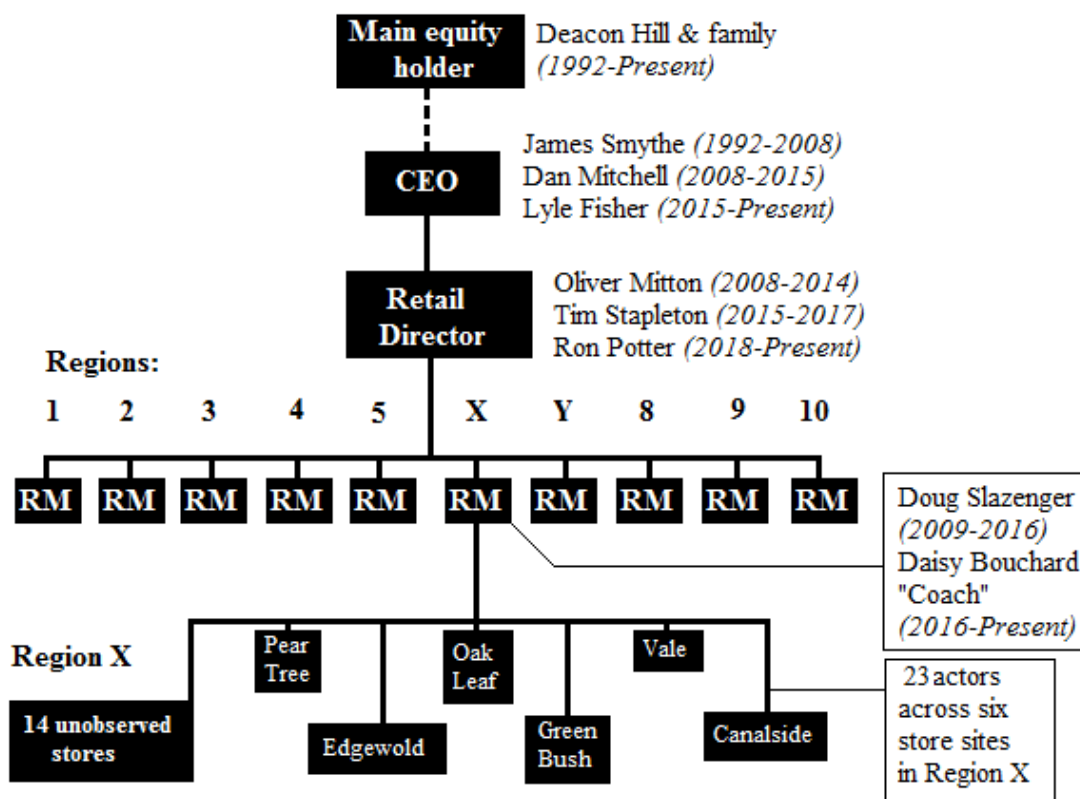
In addition to “conversational interviewing” (Dalton, 1959) I also carried out fifteen face-to-face interviews, mainly with FLSW colleagues. Table 4 provides a list of participants and Figure 6 locates them within the organisation’s structure. Interviews were inspired by a desire to glean further reflections upon our shared experience and to dig deeper into their construction of meaning. Another objective was to explore topics of interest that may not have been satisfactorily covered during work time. Where possible interviews were carried out away from WC premises (Archer, 2007), although it was ultimately left to the interviewee to select the venue (Cook, 2010). Ample gaps were left between interviews and other research activities to allow time for planning and transcribing (see Burgess, 1991). Each session enacted a semi-structured format (as recommended by Silverman, 1997 and Mason, 1996) and was ordered by an *aide memoir* (Burgess, 1995), that led with open questions and offered targeted follow-ups if necessary. Two recording devices were used to capture data.

Most interviews were carried out in the final year of the research to enable reflections upon the period throughout which systematic observations took place. The exact number of interviews was determined by my perception of diminishing marginal returns. Once I got to a point where additional interviews added little in terms of fresh insights I accepted this as the point at which costs are likely to exceed benefits henceforth. Transcripts were produced by a sub-contractor and secured in three locations alongside other digital data.

Table 4: Primary research participants and key characteristics

Name	Role	Store	"Vintage"	Obs.	Interview	Age	M/F
Deacon Hill	Owner/founder	N/A	N/A	(Doc. evidence only)		50+	M
James Smythe	CEO	N/A	N/A	(Doc. evidence only)		50+	M
Dan Mitchell	CEO	N/A	1986	Y	N	50+	M
Lyle Fisher	CEO	N/A	2015	N	N	50+	M
Oliver Mitton	Retail director (RD)	N/A	1992	Y	Y	40-45	M
John Stapleton	RD	N/A	2015	Y	N	45-50	M
Ron Potter	RD	N/A	2015	Y	N	30-35	M
Sharon Dilbert	HR Director	N/A	Unrecorded	N	N	Unk.	F
Joe Dixon	Divisional director	N/A	2015	Y	N	45-50	M
Doug Slazenger	Regional manager	N/A	2003	Y	N	30-40	M
Sep Parker	Regional manager	N/A	Unrecorded	N	N	35-45	M
Daisy Bouchard	"Coach"	N/A	2013	Y	Y	30-35	F
	Store manager (SM)	Pear Tree	2008	Y	Y	25-35	M
Cast overview (35)	Assist. manager (AM)	Pear Tree	2010	Y	N	25-35	M
Owners/founders: 2	Trainee manager (TM)	Pear Tree	2015	Y	N	20-25	M
Management: 6	SM	Oak Leaf	2008	Y	Y	25-35	M
Middle man.: 4	AM	Oak Leaf	2013	Y	Y	25-30	F
Store managers: 7	SM	Canalside	2009	Y	Y	25-30	M
Assist. managers: 8	SM	Canalside	2013	Y	N	30-40	M
Trainee managers: 7	AM	Canalside	2011	Y	Y	25-30	M
Part-time: 1	AM	Canalside	2015	Y	N	20-25	F
	AM	Canalside	2015	Y	Y	25-30	M
Subjects by methods	TM	Canalside	2015	Y	Y	20-25	M
Observed: 30	TM	Canalside	2016	Y	Y	20-25	F
Interviewed: 15	TM	Canalside	2017	Y	N	20-25	F
	Part-timer	Canalside	2018	Y	N	50+	M
	SM	Vale	2010	Y	N	35-40	M
	AM	Vale	2014	Y	Y	25-30	M
	SM	Green Bush	2007	Y	N	25-35	M
	AM	Green Bush	2013	Y	Y	30-35	M
	AM	Green Bush	2011	Y	Y	25-30	M
	TM	Green Bush	2015	Y	N	30-35	M
	TM	Green Bush	2016	Y	Y	25-30	M
	SM	Edgewold	2008	Y	Y	30-40	M
	TM	Edgewold	2016	Y	N	20-25	F

Figure 6: Wine Corp Retail organisational structure



4.3.5. Documentary evidence

As an employee of WC I had access to a constant stream of internal documents, both traditional and non-traditional in nature (see Table 5). These were invaluable in terms of assessing links between management actions and FLSWs experiences. They were also useful in illuminating activities in the wider organisation and the forces and factors affecting them.

One interesting data stream was the in-house “Huddle” webcasts which became a prominent feature of WC relations during the research period. These were published on the intranet and served as a video bulletin board. Therein senior managers (who rotated as host) would answer questions submitted by employees and share their thoughts and reflections. Another valuable data source was the “Virtual Post-box” which could have been tailor-made for the purposes of my research. This *no-holds-barred* Q&A between

management and staff was anonymised, allowing the latter a rare window of opportunity to communicate “how they really feel.”

Table 5: Secondary data and its research value

Secondary data - internal	Value
Weekly memo webcast	Operational updates, regular policy discussion
Wine Corp magazine	Strategy overviews, updates on HR/Staff issues
Virtual Postbox	"Warts and all" Q&A exchanges between staff and senior managers
All stores/all region emails	Succinctly express concerns and focus of senior and middle managers
Monthly Guide	Detailed overview of marketing/commercial strategy for the given period
Archival data	Assisted in piecing the history of the organisation together
Secondary data - publically available	Value
Annual report	Insights into financial performance and impression management by chief officers
Trade journals	Analysis of organisational performance, strategy and issues relevant to the wider industry
News articles	External analysis of organisational/industry performance

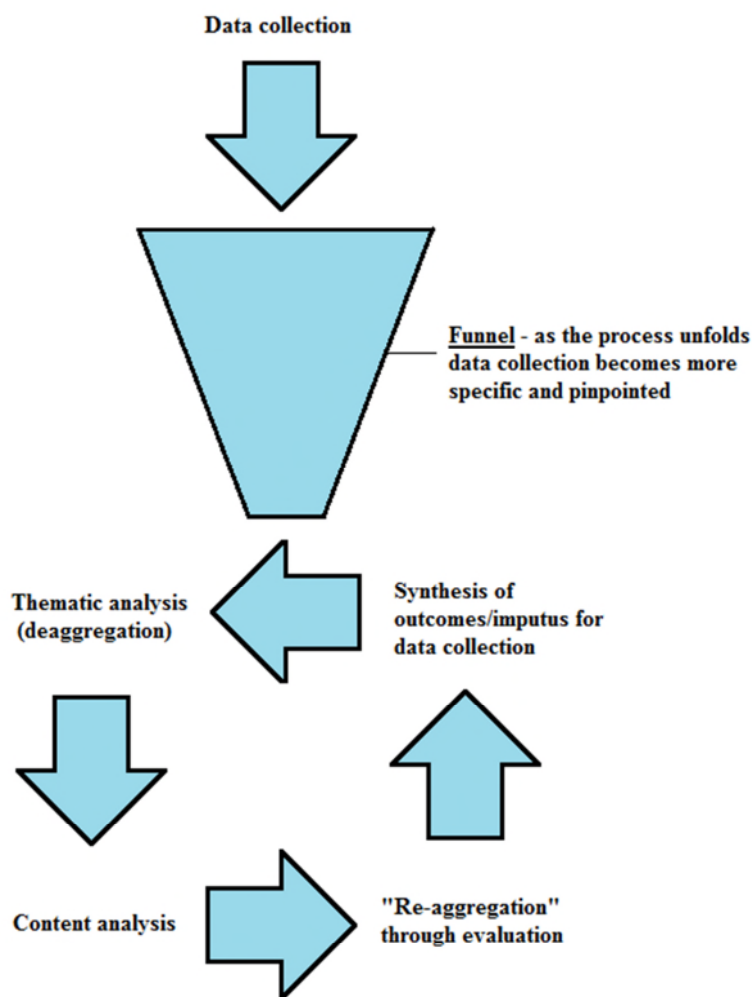
4.3.6. Ethnographic analysis

As with Dalton (1959) my research did not commence with pre-ordained questions. Rather, it started out as a general enquiry into the nature and experience of “quality” FLSW. I was interested to understand whether conceptualisations of quality tiers in FLSW had any basis in fact, or whether they were more rhetoric than reality. Furthermore, I was interested in appraising how management and customers mediated the experience of FLSW, following in the footsteps of Rafaeli (1989) who sought to arbitrate over their relative power and influence.

There were four main stages to the analysis (see Figure 7) that were overlapping rather than chronological as per ethnographic convention. The first stage involved subdividing data thematically, so as to build a body of evidence on areas of particular interest (Hammersley & Atkinson, 2007). Given the multifaceted nature of my data some segments became part of the evidence base on multiple topics. The second stage involved reviewing the content of the data in order to identify patterns. What similarities and differences resonated? What consistencies and inconsistencies become apparent across spaces and time?

The third stage of analysis once the data had been sifted and sorted *within* topic was to cross-examine evidence in light of other topics, to evaluate the extent to which findings in one area intersected with findings in another. The major focus here was to assess the inherent limitations of potential explanations; for example, to what extent can X (certain stimulus, traits, attributes) explain Y (certain responses)? Limitations were taken as a cue to dig deeper into the data and to further evaluate tentative assumptions and theoretical models. Inherent to the process was a constant dialogue between the data and theoretical/empirical literature (see Chapters Two and Three), with the former guiding the latter.

Figure 7: Four stages of analysis



Stage four then constituted the final phase of the feedback loop, where outcomes from the analytical process would then direct the collection of additional data. For example, I may return to the field with a written objective to “learn more about X” or to “search the intranet for Y.” Once accrued these insight would complement the analysis and another round of the four-stage process would commence, up until the point at which further cycles seemed unlikely to alter the final analysis.

Rather than make use of specialist software packages (e.g., NVivo) I opted to build my research database with the Microsoft Office suite. I have many years of experience using said suite and have received advanced training, instilling in me the confidence that I could use it to manage and manipulate large volumes of data. I had developed an effective system during earlier research projects and felt unconvinced of the benefits of bespoke software at the time.

The mode of analysis outlined utilised three well-established and widely recognised qualitative analysis techniques (see Yin, 2014: pp.142-169). *Pattern matching* was the essential feature of stage 2 of my analysis, which was used to stratify the data in terms of links and discontinuities. *Explanation building* was the core objective of stage 3, which sought to interrogate *possible* explanations in light of emerging evidence. Here I made use of the CRP analytical tool of retroduction (see Rees & Gatenby, 2014) which basically involves working backwards from the data, imagining *what has to exist* in order to explain manifest patterns (discussed further below). Another feature of stage 3 was *cross-case synthesis*, which compared and contrasted similarities and difference in people and places to weigh the significance of contextual factors. I selected these modes of analysis because I saw them as most complementary to the specific enquiry, whilst further believing that they may act in tandem to optimise the value of ethnography as described above. Boiled down the conceptual justification for the study was *theory elaboration*.

Section Four: Quality assurance and ethics

A number of commentators have established guidance for what “quality” qualitative research involves and looks like. Bluhm et al. (2011) used five key markers of best practice: (1) a strong theoretical foundation; (2) triangulation; (3) longitudinal design; (4) counting the countables and (5) accuracy checks. Along similar lines Yin (2014) identifies the following as means for achieving high-quality analysis:

- (1) Attending “*all the evidence*,”
- (2) Assessing “*all plausible rival interpretations*,”
- (3) Focusing on “*the most significant aspect*” of your case and
- (4) Using your own “*prior, expert knowledge*”

(Note: p.168, emphasis in original)

Some of the strategic elements that satisfy these criteria have been discussed in prior sections. Of particular note, a strong theoretical foundation was established in a detailed discussion of CRP. On the one hand it was argued that CRP analytical tools (e.g., analytical dualism; separation of intransitive and transitive realms) can be mobilised to overcome the theoretical drawback of alternative paradigms. On the other hand it was argued CRP exhibits an epistemological fit with practical approaches synonymous with ethnography.

Another criterion satisfied above is to use *prior expert knowledge*. I did this by studying an organisation in which I am a long-established insider with behind-the-scenes knowledge of “*how it works around here*.” Still another is counting the countables: records have been kept of who contributed what as Tables 3 and 4 indicate. Other features of the research that satisfy the benchmarks set out below.

Longitudinal design - the formal research period was four years in duration whilst I was employed by the organisation for the five years prior. Short “snapshot” studies are self-evidently problematic from the point of view of CRP, because it perceives underlying reality as something which emerges at critical moments within the fullness of time. Short-term studies may miss such moments and/or capture them but fail to allow time to comprehend their vicissitudes (Burawoy, 2013).

Three forms of *triangulation* as identified by Denzin (1978) were mobilised in pursuit of valid and credible insights. Those were *theory triangulation*; *data triangulation* and *methodological triangulation*. As longitudinal design implies data was collected at multiple time points, whilst it also features a cast of 35 “lead actors” across seven sites (including HQ). Hence the basic elements of data triangulation were incorporated into the research design. As for methodological triangulation, interviews and observations were utilised in a mutually informing symbiotic way to enhance analysis. Concurrently, a range of documentary evidence catered to data requirements that field activities alone would have failed to satisfy. Finally, a wide array of theories has been drawn upon to explain the data as will become apparent in the following chapters.

Data inclusion and presentation – in the data chapters a concerted effort has been made to represent the sample as accurately and fairly as possible. Nuances and complexities have been incorporated wherever practicable rather than set aside for convenience’s sake. Along these lines I have sought to identify and explain both the “normal” and the “abnormal” in amongst the data; in fact, the analysis contained in Chapters Seven and Eight is premised upon an assumption that exceptional/abnormal cases can “prove the rule.”

Write up - Drafting began in early 2017 and continued until September 2018. As said there was no clear separation between data collection and write-up stages, partly because I maintained regular contact with informants throughout. Continued engagement facilitated “accuracy checks” because “critical friends” (Yin, 2014) acted as sounding boards for general ideas. At the same time my thesis supervisors played a

vital role in distilling objectives, thereby mitigating the risks of endless drift or data overload.

A decision that will soon become apparent in the data chapters was my choosing to write the ethnography in the first person, laying naked my role in its construction. I did this for a couple of reasons. Firstly, I felt I could tell the story far more efficiently by using my own experience as the primary vehicle of exploration. Secondly, bringing participant observation to life unavoidably requires narration because the data cannot speak for itself. With this being the case overt inclusion of the researcher-role strikes me as the best partial solution to the *verstehen* problem (see Tucker, 1965). For clarification, I should stress that I reject deconstructionist's notion that the author/researcher can only speak for themselves - believing instead that there is a social world "out there" that is knowable. My analysis draws upon hundreds of verifiable facts and its credibility is underlined by its satisfaction of widely acknowledged "quality" criteria as shown presently. That said, it remains true that I am the narrator and some would take that to mean that there is nothing more to this account than my narration. In response, I can only say that I have done my best to develop the most plausible account possible and to lay bare my role in its production.

In light of these considerations I have presented my research in the form of an *autoethnography*, the main aim of which is to demystify the research process as suggested in the following remarks:

Autoethnography is an approach to research and writing that seeks to describe and systematically analyse personal experience in order to understand cultural experience. This approach challenges canonical ways of doing research and representing others and treats research as a political, socially-just and socially-conscious act. A researcher uses tenets of autobiography and ethnography to do and write

autoethnography. Thus, as a method, autoethnography is both process and product.

(Ellis et al., 2011: 273)

Autoethnography turns on its head the positivist's "silent researcher" writing style (see Dalton 1959 for an example). It invites "confession" (Van Maanen, 1988) on the part of the author in terms of their role in data collection, analysis and conceptual development. It involves the researcher "showing their workings" to borrow a phrase from GCSE maths.

Ethical issues, data management and security

In the developmental stages of the research ethical issues were flagged-up as a management challenge. The risk of harm appeared self-evident given the possibility of participants saying and doing things that deviate from management's aspirations. Without careful concealment of identities there is some possibility that censure, reputational damage and/or disciplinary action could result from the publication of the research.

Another possibility is that the case study organisation may be harmed through participation. It stands to reason that an "insider" investigation into any organisation may produce findings that cast it in imperfect light. Indeed, the very purpose of the study was to get beyond the glossy veneer of organisational PR and to expose multi-dimensional truths that it conceals. To do otherwise would betray the object of the study, although this is not to say that the ends always justify the means. On the contrary, any social researcher is subject to numerous moral and ethical constraints and can only do their best to walk a tightrope between exposing the unvarnished truth and protecting participants. Table 6 summarises steps that were taken in this regard.

Table 6: Steps taken to protect data and participants

- Informed consent was acquired, and re-acquired where appropriate.
- The nature of the study was spelled out using jargon free language.
- Assurances were given that confidentiality would be protected. Several measures were taken in this regard:
 - Pseudonyms were given to participants, stores and the organisation.
 - Actual names were stored in an encrypted file.
 - Where possible I have used generic references (e.g., the interviewee, a colleague).
 - I refrained from identifying the case study organisation in any and all circumstances to avoid it becoming an “open secret.”
 - Data was stored in three secure locations, preventing data loss and risk of the data being compromised.
- Participants were selected in a non-discriminatory way. No individual or location was excluded on the basis of traits or characteristics.
- Idiosyncrasies that may be linked to particular individuals have been omitted from discussion and/or managed in a way that does not undermine validity.
- I have taken extra precautions to obscure the source of sensitive data.
- The data has been sifted for information that may expose the organisation’s identity. For example, brand names have been blacked out in pictures.
- Accuracy checks have been used wherever possible to ensure that the data fairly represents participants.
- Dialogue was maintained with research participants during the analysis and write-up. Ample opportunity was provided for them to moderate earlier views, explain themselves and withdraw consent.
- Clarifications would be requested in the face of ambiguity, providing further opportunities for participant reflection.
- I deferred to the expertise of senior researchers, taking their advice on striking a balance between participant protection and data inclusion.

Section Five: Discussion

Chapters Two and Three sought to illustrate the gaps in knowledge and related opportunity that in-depth study of FLSW presents. At this point it may be useful to appraise the contours of the research in light of key themes developed in the literature review chapters. Chapter Two concluded with an argument that omissions and flaws in major theoretical paradigms restrict their singular capacity to explain the phenomena under study, mainly due to monolithic ontologies. Three further propositions were set

out. Firstly, that bridge-building between theoretical schools of thought represents the most promising avenue for a better understanding of FLSW. Secondly, that a “stratified” analysis of frontline socio-economic life – one that separates out *parts* and *people* – may provide means of overcoming reductionism commonly associated with entitative or “cultural turn” perspectives. Thirdly, it was suggested that over-emphasis of structures or discourse(s) has marginalised the significance of “intermediate” forces and factors. These are neither so entrenched that they are impervious nor so ephemeral that they can be talked out of existence by whoever comes along. Examples of such may be normative codes of conduct; group norms; the traits and attributes of particular people and negotiated orders. It was suggested that these forces and factors require better exploration in future accounts.

Chapter Three sought to extend the unfolding analysis by illustrating how problematic issues apparent in theoretical literature also proliferated amongst empirical accounts. I therefore attempted to show that much of the widely cited research congeals at one end of the epistemological spectrum or the other, focusing *primarily* upon people or parts. Polarised emphases along these lines limits comprehension of the interplay between causal mechanisms at different levels of abstraction. The danger is that much the complexity and subtlety may be lost, bearing in mind the multi-dimensional composition of FLSW.

Thus few accounts of FLSW have synthesised the multi-dimensional nature of FLSW with sufficient dexterity in my view, and this provides a key theoretical justification for the research as described. Another justification is that WC represents an interesting “qualifying case” for a theoretical proposition (Frenkel, 2006) that has gain traction in recent years as was discussed above. Two further justifications warrant reiteration at this point. (1) FLSW settings are widely cited as nodal points in economic *and* cultural exchange in, making them interesting locations to explore the boundaries between different forms of capital production (see Chapter Two; also Bourdieu, 1986). (2) Evidence suggests that FLSW for many is experienced as existing on the frontline of proletarianisation or “precariatization” processes (see Chapter Three), making it important to understand whether and to what extent a “third way” (Giddens, 1998) is possible within FLSW organisations.

In light of these factors I would argue that a clear case exists for further research into the experience of “high road” FLSW and the forces and factors that shape it. I would also argue that the respective tools of ethnography and CRP represent the most compelling means of providing an original, credible contribution to knowledge.

CHAPTER FIVE: WHEN A PLAN COMES TOGETHER

This first data chapter seeks to tell the back story of WC so as to provide contextual insights into the case study organisation and the industry in which it operates. It is in effect the “setting the scene” chapter, so the significance of much of its content will only become apparent in later chapters. The idea is to build a foundation of knowledge on the historical formation of WC and FLSW within it, based upon a belief that contemporary experiences have their roots in the past. Section 1 allows WC’s management to tell its story in their own words, providing a basic overview of the company’s idealised self. Section 2 seeks to place that into historical perspective by outlining the organisation’s origin story. Section 3 then explores the effects of the recession that emerged in 2008, seeking to explain how it proved a greater opportunity than a threat for WC. A grasp of the significance of late 2000s events is crucial to an understanding of the powers they reflected and also set in motion. These will be the subject of Chapters Six and Nine.

Section One: Who and what is Wine Corp?

Despite having worked for the company for ten years, I nonetheless set about the process of filling in the blanks in my own knowledge of it to write this chapter. Over those years I had heard many origin stories about the organisation, and many interpretations of the logics that underpinned its commercial and operational strategy. These narratives were passed from one generation of FLSWs to the next, sometimes explicitly (through organisational induction, in-store training, etc.) and sometimes implicitly as colleagues reminisced or explained company policy to customers.

The organisation’s website was an obvious starting point to refresh and expand one’s knowledge of its early origins. As with any contemporary stock market listed company operating on a certain scale, some investment is made in PR. The investors’ website in particular provides a glossy representation of the organisation as a savvy but principled citizen that simultaneously puts customers, investors and staff first.

My intention upon entering the website was to read the history page for summation purposes. What I found myself doing instead was activating a YouTube link that promised “An introduction to WC.” It turned out to be a poor tool for my objective, as was the website generally. The only reference to its early history was a black and white picture of a rustic looking WC store, overlaid by the following text: *“In 1980...a few friends with a passion for wine...started something special...”* That sequence is immediately followed by *“since then we’ve grown...into the UK’s largest wine specialist,”* at which point the background music becomes up-tempo and a montage commences of wholesome looking FLSWs labouring with conviction. These video reels are spliced with pictures of shiny WC vehicles traversing UK roads and famous wines merchandised in stores.

The remainder of the four-minute video is a procession of management actors talking their way through a contemporary overview of the organisation. It assumes no pre-knowledge and features an assortment of gushing management comments such as the following:

*“I just love this business, it’s about customers, it’s about shops,
it’s about wine, put those things together and you get WC.”*

(Tim Stapleton, Retail Director)

Of course, much the same may be said of any bricks and mortar retailer with a focus upon a given product category so follow-up commentators hone in on the unique selling points (USPs) the organisation claims to possess. For the purpose of coherent narration these are framed by a rhetorical question:

“Why do customers use WC? Why don’t they just go to a supermarket?”

Management answers:

“We fill this gap between the supermarkets and fine wine, we take people on this journey, we introduce them to new and exciting wines across all price points...”

(Head Designer)

“They get this amazing customer experience, they speak to the Wine Gurus, who are so knowledgeable, and can actually spend time – and want to spend time – with each of the customers, if you get the customer experience right, everything else takes care of itself...”

(Customer Director)

“It’s not just a product, wine is something more than that, and a great deal of what goes into making that is the fact that there is a story behind it, there’s a person.”

(Merchandising Director)

These utterances neatly sum up the rhetoric of the retail business. A core assumption is that wine is not “just [any] product;” there is something elevated and storied about it necessitating special treatment. WC intervenes in the market to provide just that, filling a niche between supermarkets concentrated at the bottom end of the market and boutique retailers at the premium end. It therefore occupies something of a middle ground in price/quality terms, whilst putting quality of service and staff expertise front and centre as a basis for differentiation and competitive advantage. As the Corporate Statement spells out in the Annual Report(s) (henceforth AR) FY2001-2004:

“WC differentiates itself by the high quality of its customer service and advice, the diversity and quantity of stock available to purchase in each store, its dedicated on-site parking, wines to taste every day, the ability to order instore or via the website and the availability of free delivery throughout the UK.”

The finale of the four-minute video focuses upon how the “*amazing customer experience*” is developed and delivered in practice. At this point emphasis falls upon key aspects of HR management such as recruitment, training and career development. These are posited as lynchpins of the unique and pervasive culture that is evidenced in the video with interview snippets featuring FLSWs and managers alike. The HR Director sets the tone:

“We have people in our business that are so passionate about the product – and so passionate about serving customers – so that makes for a fantastic combination ... They are given a lot of training, a lot of support, but really it is your character and personality we want to shine through.”

Fellow directors elaborate further on the cause and effect of the “unique WC culture”:

“We’re really really picky about who comes to work in this organisation, the people [on the shop floor] are all here because we think they are great, they’re gonna have a fantastic career, and more importantly they are going to make WC that special business in the future.”

(Retail Director)

“One of the greatest things about WC is that when there is something to do, people just roll their sleeves up and do it.”

(Operations Director)

“I have never been part of such a committed team, that really want to make a plan live, and deliver on the benefits that we set out to do.”

(Transformation Director)

As said, the remarks of top management are interspersed with commentary by FLSWs. The latter expand upon management’s perspective by sharing insights on their own experience:

“It is hard work, but it is also fun so it is what you make it.”

(FLSW #1)

“Before I started, I wasn’t expecting it to be a long-term career; as soon as I joined I completely changed my mind, I want to own my own store.”

(FLSW #2)

“The rewards you get when you put the effort in, and if you are enthusiastic about it, yeah it’s a no brainer for me [laughs], it’s a great team, you work with some amazing people.’

(FLSW #3)

By happy coincidence two of the FLSWs with starring roles in the video were close colleagues of mine. From one I was able to get the story of its production process:

M.J: *“Wayne, did you know you have a starring role in the ‘introduction to WC’ video on the investors’ site?”*

Wayne: *“[brief pause] You mean the recruitment video?”*

M.J *“No, there’s a four-minute video on the investors website that basically talks through what the company is about for potential investors.”*

Wayne: *“What do I say in it?”*

M.J: *“Stuff along the lines of ‘you get out what you put in,’ and the ‘rewards are there if you’re willing to work for them,’ that type of thing.”*

Wayne: *“Oh yeah that’s from the recruitment video, that was awesome, it was professionally done so it was really good.”*

M.J: *“How did you come to be involved in it?”*

Wayne: *“I was talking to Doug Slazenger [regional manager] and he said ‘what do you think of this [in an in-store recruitment video] Wayne, do you think it’s a good idea?’ So I said ‘yeah’*

[shrugging to suggest indifference], and he said “Oh great you’ll do it for me then!?” ’

For Doug to select Wayne for a starring role would come as no surprise to observers of social relations in Region X. Since joining in 2012 Wayne had established himself as a firm favourite in the eyes of his regional manager. His traits and attributes closely aligned with that of an ideal-type WC FLSW (discussed further in Chapter Eight), making his casting logical and predictable in that sense.

The story of my other close colleague cherry-picked for the role provides an alternative insight into WC life to that presented thus far. Rose personified CEO Dan Mitchell’s mantra that *“in terms of recruitment, we bring in people who remind customers of their sons and daughters.”*³² In all my time with WC I had never personally worked with someone to whom the customers took such an instant liking. This affection derived from her congenial demeanour which she consciously but effortlessly over-dramatized in the presence of customers.

Rose was commonly regarded as a prized FLSW, and it was therefore dispiriting when she became my first ever store colleague to opt for unemployment over continuation with WC. Part of her explanation was that she “couldn’t face another Christmas,” a sentiment that many WC FLSWs could empathise with. However, the straw that broke the camel’s back was an unsettling change of store manager which amplified general frustrations with the hidden underbelly of working for the company. She explained it to me as follows:

“I spoke to my mum about it and I was just saying that I can’t be doing with the long days and late nights ... with commutes it can be 12 or 13-hour days ... I don’t have a life; all my friends are going out and I’m either working or too tired ... so my mum says

³² The same remark was made in an interview with a broadsheet newspaper, 2012.

‘well if you’re not happy why don’t you just leave and help out round here.’ [Note: her parents ran a small business].”

The difference between the upbeat actor in the video and the despondent figure making these remarks struck me as allegorical of the gap between airbrushed and non-airbrushed life in WC. The most remarkable thing about Rose’ story is how *unremarkable* it was. Throughout my time at the company I have listened to countless FLSW escapees cite an identical list of grievances. The penultimate stimulus and post-departure destination vary each time but “[I’ve] *just had enough*” is the recurring theme.

One of the interesting discoveries I made about the cycle of life in WC is how little it appears to have changed. Those leaving in 2018 posited much the same reasons as those leaving in 2009 when I first joined the company. Going back even further, I discovered a careers case study in a broadsheet newspaper (published June 1999) that clearly implied that poor working conditions stretched back much further. It begins:

“At least Susan Devon had the bottle to admit she had a problem. ‘For three weeks I kept asking myself what have you done?’ [In joining WC]”

The extreme nature of FLSW in WC over Christmas (as mentioned by Rose) was also apparent in the following remarks:

“... If you’re looking for a glamorous introduction to the wine trade WC ain’t it ... Susan had joined just before Christmas and was plunged straight into an exhausting 12-hour day, 6-day week.”

When these insights are considered alongside data presented in Chapters Six, it becomes clear that some of the gruelling aspects of FLSW in WC stretch back over two decades at least.³³ This begs the question *why* has so little changed in the interim? More specifically why have management failed to remedy omnipresent grievances at the heart of FLSW turnover? In my view the answer is complex and multifaceted, rooted in the organisation's past and present as well as the constraints and opportunities that preceded its existence and emerged afterwards. The next two sections begin the process of unravelling that story.

Section Two: Wine Corp's early history and development

Of all the claims made in the "Introduction to WC" video discussed above, the notion that the company has "come a long way" appears uncontentious at first glance. It did after all begin as a single store in north London in 1980 and has since morphed into a multi-channel PLC with diverse operations in three international markets (US, Australia and France) and £476m in revenues.³⁴ Viewed through another lens though, a compelling argument can be made that continuity has anchored the retail business to a greater extent than change has varied it. That is because the organisation has defined and differentiated itself by sticking to blueprint, at least until recently. Prior, much of the change could be characterised as attempts to complement and/or enhance the original vision rather than displace it with something fundamentally different.

The inception of WC and its foundational logic cannot be separated from the socio-economic milieu that synchronously emerged in the affluent south east of England at the time. As long time CEO James Smythe (J.S) reminisced in an interview in 2008:³⁵

"We were part of the Thatcher boom in the 1980s when customers would drive their Porsches to the Battersea store and load up."

³³ Susan Devon commenced employment in 1997.

³⁴ Press release, 2018.

³⁵ Interview, regional newspaper.

Nostalgically expressed in these remarks are some of key underpinnings of the WC *raison d'être*. The organisation set out to target affluent and discerning customers who were able and willing to buy in bulk. The strategy was less about meeting pre-existing customer demands and more about concerned with carving out a faith-based niche as the following analysis contended:³⁶

“Unlike traditional market innovations, WC’s hasn’t been down to seizing on a gap in the market. Instead, CEO JS insists he and his co-directors simply had total belief in their proposition and the market would follow. ‘We had to create a gap,’ [Smythe] says, ‘as there were plenty of places you could buy wine. We were clear there was an opportunity for a very differentiated business ... we were sure, but whether there was a need, who knows.’ ”

The cornerstone of the differentiation referred to here was the concept of operating as a “case merchant,” which in practical terms meant requiring customers to buy a minimum of twelve bottles of wine. Inevitably such a prospect would narrow the potential market, making WC inaccessible to those with limited means and/or little interest in volume buying. That said, it also presented the organisation with important competitive advantages that exploited weaknesses of the dominant market players during the 1980s. In a fundamental sense purposeful stratification enabled WC to pursue its primary purpose of “*ruthlessly target[ing] middle class drinkers*”³⁷ via an exclusionary policy that deterred mass-market participation.

Unfortunately, the exact extent to which the “12-bottle policy” (as it was colloquially known) was really a product of entrepreneurial “blue sky thinking” is lost to posterity. The reason is that legal regulations concerning the sale of alcohol and

³⁶ Online business forum, 2007.

³⁷ Article, national broadsheet, 2012.

commercial/residential zoning also substantially contributed to its formation.³⁸ By establishing itself as a “case merchant,” WC could technically be categorised as a *wholesaler* rather than a *retailer* for zoning purposes thereby opening up cheap commercial premises that were inaccessible to conventional competition. Thus, WC exploited a legal/structural loophole to gain a foothold in the market - an apt illustration of “anteriority” in action (see Archer – Chapter Four).

Being away from commercial centres facilitated the acquisition of inexpensive freehold opportunities with free parking, thereby enabling the commercialisation of bulk “cash and carry” operations (akin to “booze cruise” warehouses on the French side of the Channel). In addition, low rents enabled stores to act as warehouses literally *and* figuratively. Inventory could be held in stores rather than at regional or national distribution hubs, removing the operational cost of the latter. To accommodate stock stores adopted a unique *inside-out* appearance which collapsed the distinction between sales space (front stage) and storage space (back stage). To bring the two together cheaply and practically, shelving was constructed on wooden pallets out of boxes the wine came in. Loose bottles would be displayed on top and a “POS” (point of sale) would be attached (see Figure 8).

Figure 8: Wine Corp shop floor



³⁸ Article, national broadsheet, 2008.

What further differentiated WC however was that unlike “*stack ‘em high sell ‘em cheap*” cash-and-carry warehouses in France, the former did not target the bottom end of the market. Rather than tackle the over congested entry level WC sought instead to pick up where the supermarkets left off as JS explained:³⁹

“Clearly supermarkets have the dominant slice of the wine market, unsurprising led by Tesco. However whilst they will typically have a bigger breadth of lines at lower price points, our range will visibly broaden from the supermarkets at £5 and above. And if you want to buy wines in quantity in the supermarkets, it’s actually quite difficult whereas we will have several cases.”

In basic terms then the WC concept was to sell quality wines in bulk utilising a low cost warehouse model. A business journalist expressed this succinctly:

“[WC is] a business flogging cases of wine to wealthy customers out of low rent premises...”

By combining simple store design, cheap premises, a lack of storage duplication and an upmarket/bulk focus WC was able to compete and often beat supermarkets on price for “quality wine” without sacrificing on margin:

“We don’t have the buying power of the supermarkets but nonetheless we are substantial buyers of wine at £5 and above. We’re shipping containers full of wine and that is the economic quantity to ship – so we’re at no disadvantage.”⁴⁰

³⁹ Online business forum, 2007.

⁴⁰ *Ibid.*

Whilst seeking to be price competitive the essence of the business model however was to sell itself on the basis of superior customer service as was made clear above. To that end, a staffing model was adopted that sought to invert that of “big-box” mass-service producers (e.g. Asda-Walmart). These tend to emphasise “numeric flexibility,” with FLSWs typically working short shifts on part-time and/or short-term contracts (Wood, 2016). FLSWs are predominately female and perform low-skilled roles within highly compartmentalised labour processes (Williams, 2004). In addition, little if any product knowledge is expected or required of FLSWs (Pettinger, 2004).

In contrast, WC’s approach to staffing may be described as *lean functional flexibility*. A small number of highly qualified graduate FLSWs were employed in each store, working long hours in small teams. They were expected to learn all aspects of store operations whilst mastering the panoply of service dimensions (product knowledge, salesmanship, proposition features, etc.). Management anticipated that a combination of skill, knowledge and enthusiasm would enable superior service over that offered by the dominant mass-market players. In the meantime labour costs would be contained by employing comparatively few “upskilled” people.

The embodiment of the WC HR system was the graduate management training programme, which dates back to its early foundations. An undergraduate degree (or equivalent) was treated as an entry requirement to join WC, whilst the frontline was almost exclusively comprised of full-time permanent graduate staff. One regional manager encapsulated the HR system to me in 2012 by remarking scornfully “*we don’t do zero hours at WC.*” As a company insider I knew that this remark carried much deeper meaning than its face value implied. The implication is that WC is superior to “*generalised other*” (Mead, 1934) retailers, not only for customers but for FLSWs as well. One example of WC’s self-proclaimed differentiation is that it acts as one of largest clients of the Wine and Spirits Education Trust - the UK’s gold standard industry qualifications body. All FLSWs were put through its “level-3” qualification, which is equivalent to two GCE A-levels. High performers were also offered the chance to complete the WSET diploma, a potential gateway to more senior and specialist roles in the wine industry.

The remuneration package also featured elements that ostensibly differentiate WC from low-road/“*race to the bottom*”⁴¹ FLSW employers. JS described the package as follows:

“[WC FLSWs] get a basic salary, monthly commission, profit-related pay, and every member of staff who stays more than three years gets share options ... we have certainly paid off a few graduate loans and financed a few new cars.”

To put these elements into perspective I have provided a simplified overview of compensation in the year I joined the company (see Table 7).⁴² As can be seen a “London weighting” was paid FLSWs who had to base themselves in or around London.

Table 7: Remuneration of Wine Corp FLSWs, 2009 rates⁴³

	Provinces		Greater London	
	Basic salary	Inc. bonus*	Basic salary	Inc. bonus*
Graduate trainee	16,000	17,500	18,000	19,500
Assistant manager	19,000	20,500	21,000	22,500
Store manager	22,000	23,500	24,000	25,500
* My estimation of bonus combines annual and monthly bonuses. It was not guaranteed income but this level of bonus was typical between 2009-2013. The bonus spreadsheet was an open document and was therefore available for study.				

Further evidence of enlightened employment practices as well as exceptional benefits or opportunities were not difficult to come by. Susan Devon (mentioned above) explained in her broadsheet interview that she enjoyed three promotions in 18 months, which fairly

⁴¹ See Walsh, J. *The Guardian*, 11/07/17.

⁴² For present day pay rates see p. 275.

⁴³ Pound sterling; pre-tax and deductions.

accurately illustrated the potential for upward mobility within stores pre-2008. FLSWs also had important areas of discretion, particularly over what they sold and how they sold it. Internally there was no pressure to push particular products although FLSWs were instructed to pursue “up-sell/add-sell” opportunities. Compelling sales incentives were however offered by suppliers. These include lavish trips to vineyards in far flung parts of the world, cash incentives and rarefied prizes such as jeroboams⁴⁴ of prestige wines. Store(s) with the highest sales of a given supplier’s products would win the award(s) on offer. Some long-serving staff had gamed the system to win multiple trips and prizes that they boasted of years later.

5.2.1. Teething problems and rolling out the format

Whilst cornerstones of the WC model were envisaged at its inception, it nonetheless took fourteen years for the organisation to settle into a pattern of stable growth. Previously, it went through multiple changes of ownership and teetered on the edge of bankruptcy on numerous occasions. Indeed the earliest incarnation of WC “quickly went bust”⁴⁵ under the stewardship of founder and visionary Tom Oliver, and was bought out of receivership by “society guy” Jamie Barrowman and business partner Noam Patterson. Together they injected capital and industry know-how whilst Oliver was retained in a general management capacity. Together the group set about developing WC into a sustainable multiple retailer via organic means. By 1985 the company had fifteen stores spread across Greater London and the affluent “home counties.”

In 1986 Oliver departed WC to start another company “Elvan,” which was acquired one year later by frozen foods chain Coolwhites. Coolwhites was owned by well-known retail magnate Deacon Hill and JS (quoted above) served as its managing director. The acquisition fused the management team that would ultimately transform WC into a national chain and PLC several years later. Prior to that Coolwhites was itself purchased in 1987 by a rival frozen foods chain, but Deacon Hill retained ownership of Elvan. Smythe left Coolwhites to become Managing Director of the newly independent wine chain whilst WC’s founder Tom Oliver became buying director. The triumvirate then

⁴⁴ A three litre bottle.

⁴⁵ Article, national broadsheet, 2008.

embarked upon an overarching ambition to merge Elvan and WC under a single banner to be rolled out nationwide.⁴⁶ It took them five years to realise that ambition and in the meantime the covetous party engaged in underhand tactics to secure their quarry as JS explained:

“We made the initial attempt [to acquire WC] in 1989. We could see we weren’t going to get it so we had a vested interest in ensuring the people that did get it paid far too much so we successfully bidded up and they [the rival bidders] – did pay too much and took on huge debt. We continued to develop Elvan but frankly we always had an eye on acquiring WC later so quite a bit of my time was spent ensuring we were well positioned and talking to the people who had the influence, which was principally Kraftwork Hedges, as they had the debt, whilst also opening stores against WC.”⁴⁷

The takeover was achieved when WC’s management became embroiled in a “disastrous”⁴⁸ attempt to penetrate the US market. It rendered the business insolvent, enabling the Elvan triumvirate to acquire their target at the deflated price of £2.5 million.⁴⁹ In order to minimise its losses debt holder Kraftwork Hodges wrote-off a “substantial” portion of WC’s debt as JS recollects:

“I think [Kraftwork Hodges] only got 1p for every thousand shares so there was no equity value left in the business.”⁵⁰

Elvan and WC merged in FY1991/92 and adopted the branding of the latter across the 36-store combined concern. Completion of said merger paved the way for the envisaged

⁴⁶ Article, online business forum, 2007.

⁴⁷ *Ibid.*

⁴⁸ Article, national broadsheet, 2008.

⁴⁹ *Ibid.*

⁵⁰ Article, online business forum, 2007.

national expansion, although the new entity had to fight for its survival first. The problem was twofold: internally there were considerable costs and complications associated with tying the two organisations together. More significantly, the UK economy was plunged into recession by the “Black Wednesday” crisis that emerged in September 1992. The pound devalued as an immediate consequence, with severe knock-on effects for retailers in general and sellers of non-essential goods in particular. As one commentator put it “*wine sales took a pounding*.”⁵¹

The scale of adversity was such that WC had to “debt load” its balance sheet and imposed a company-wide 10% pay cut to survive. This was offset by the introduction of profit related pay so that “*if we turned around the business everyone would benefit*” according to JS. “PRP” later became a cornerstone of FLSWs’ compensation package as mentioned above. Given the internal and external challenges WC finished FY1993 with a £500,000 loss. In contrast, FY1994 resulted in a £400,000 profit as external conditions improved alongside and internal performance. Subsequently WC’s leadership commenced its long anticipated roll-out against a backdrop of steadily increasing revenue and profit.

5.2.2. Organic expansion

A significant landmark in the organisation’s expansion programme of national expansion was its listing on the Alternative Investment Market (AIM), a sub-market of the London Stock Exchange, in 1996. Given the significance of this to an understanding of contemporary organisational dynamics (a theme explored in subsequent chapters) it is interesting to note the casualness of the man who oversaw the process:

“It wasn’t hugely important financially, although we raised £2 million for freehold investment, as we’re a cash generative business but we decided building presence was the way to go

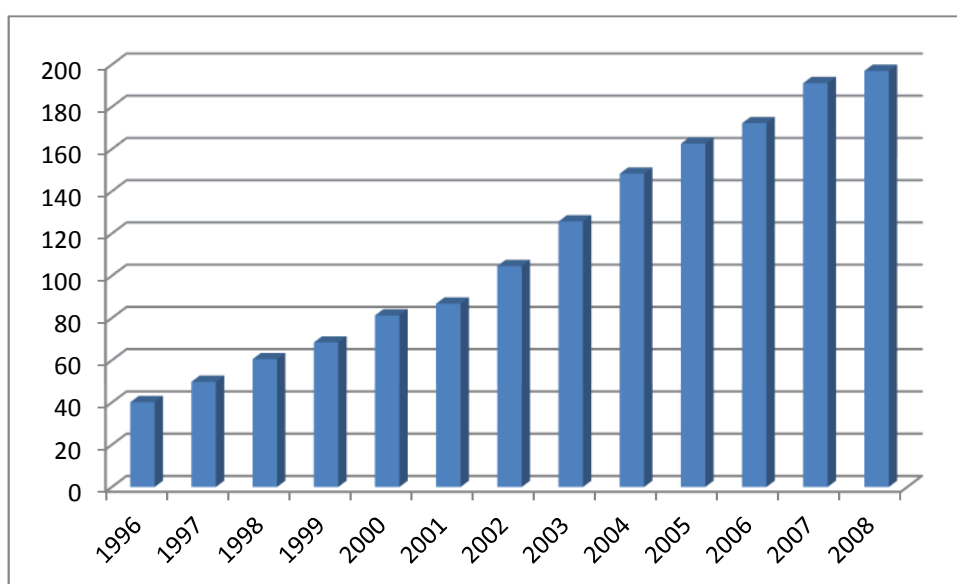
⁵¹ Article, national broadsheet, 2008.

and that we'd achieve that as a lot of our customers read the financial press."⁵²

As Figure 9 shows, in the aftermath of stock market listing WC enjoyed a prolonged period of revenue growth. This corresponded with proportionate profit growth with the exception FY2001 (see Figure 10) when the organisation was only able to match the previous year's figure due to cost-of-sales increases.⁵³

Nonetheless, the growth period between 1994 and 2008 validated a business model that did not exist in the UK prior to 1980. At that point WC was no more than a figment of one wine aficionado's imagination and it took fourteen years to transform it into a stable entity. With the passing of time its elevation was reflected in industry accolades as well as robust financial performance. For example, by 2001 it had been awarded "high street retail chain of the year" four years consecutively by the industry's most prestigious award body. Also, from 2003 onwards WC became a feature of well-known "best companies to work for" countdowns in UK broadsheet newspapers.

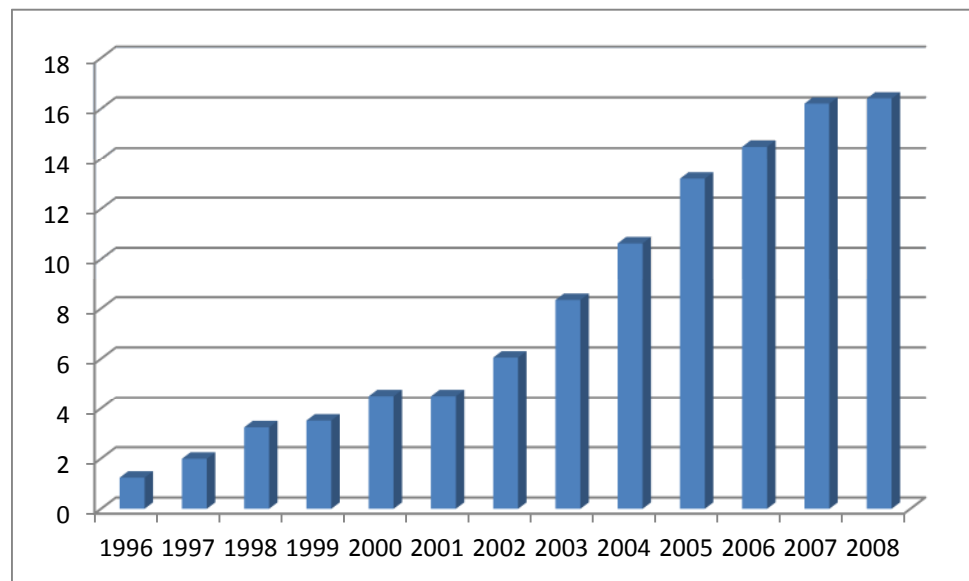
Figure 9: Revenue (£m) 1996-2008



⁵² JS, media interview, 2007.

⁵³ AR-FY2001.

Figure 10: Profit before tax (£m) 1996-2008



The period of sustained growth under discussion was underpinned by adherence to a tightly prescribed formula, one that further systematised and closely adheres to the WC model as originally envisaged. As JS remarks:

“Unlike most businesses that switch direction and constantly reassess the map to reach their destination, the WC way was plotted some 14 and a half years ago – and hasn’t been veered from since.”⁵⁴

The main objective for JS throughout the period was to oversee a disciplined roll-out of stores, ensuring that revenue and profit grew in tandem. For the nine-year period between 1992 (when WC and Elvan merged) and 2001, WC added seven premises to its estate on average per year. The challenges posed by national expansion were two-fold; firstly, it was difficult to find suitable premises given the specificity of requirements:⁵⁵

⁵⁴ Article, online business forum, 2007.

⁵⁵ Interview with JS, regional newspaper, 2008.

“All of them are on main roads preferably on a location between where more affluent people work and live, with good awareness and visibility ... there must be room for a car park, 800 wines and 11-12 weeks of stock – around 3-3,500 square feet.”

Secondly, costs had to be kept down in recognition of the growing dominance of low-cost mass-market operators. One means that WC pursued in this regard was streamlined logistics, as the company continued to utilise a single 25,000 square foot warehouse to supply its growing estate. This lean system was made possible by the stores themselves acting as local distribution hubs/storage depots as mentioned above.

To further leverage the store-centric distribution model management took the decision to service online orders through local stores (rather than through a centralised facility) when the website was launched in 2000. Orders would be routed to the nearest store using order management software, and FLSWs would correspond with the customer and execute their order with store-held stock. Free delivery from local stores was a pre-established USP for WC, so it appeared logical to utilise that system to enhance return on capital employed. Importantly, it also enabled WC to control the service interface outside stores.

The logic of local servicing was extended to another key division of the business: WC Commercial. This division was born unceremoniously in the basement of a west London store in 1994, making use of surplus space. The objective was to capture business-to-business trade, focusing mainly upon media and entertainment customers thereabouts. Specialist business development managers (“BDMs”) were employed to capture and retain new business, whilst store teams were expected to identify and develop leads. Once an account was acquired responsibility would pass to the nearby store to manage the relationship in practical senses. PR material describes “Commercial” as follows:

“A specialist on-trade supplier who aims to support businesses to make their wine lists more profitable, with the unique

*advantage of running their supply chain through WC retail stores”*⁵⁶

Whilst treated as separate business divisions on paper, both “commercial” and “online” (which each account for approximately 10% of revenue) are operationalised through retail branches.

5.2.3. Cost control and asset management

One aspect of company discipline concerned the marketing budget, which remained at 1% of revenue fastidiously.⁵⁷ As recently as 2008 the organisation did not advertise, relying instead upon word-of-mouth to bring in new customers. The marketing budget was channelled towards pre-existing costumers instead, who were regularly mailed marketing materials upon joining the database. The flagship marketing instrument was the quarterly-released “Perfect Glass” magazine featuring price lists, seasonal offerings and editorial content. Its publication spoke to WC’s desire to *“talk to, tempt, inspire and educate its customers through in-store tastings, wine holidays, helplines ... its website and highly qualified staff.”*⁵⁸ It further reflects the broad vision of acting as a destination that provides a “pleasurable experience.”

In 2007 the organisation had 375,000 “active customers” who spent 40% more per bottle than in the supermarkets, with an average transaction value of £117. Thus, the customer base was small compared to leading generalists but WC customers were able and willing to spend more on wine. The average purchase was eighteen bottles per-shop, and customers were typically “in their early 40s and a relatively affluent professional.”⁵⁹ A downside of its catchment was that these customers visited infrequently - twice per year on average.⁶⁰

⁵⁶ Financial Results 2016/17 – press release.

⁵⁷ Article, national broadsheet, 2003.

⁵⁸ Commentary, online business forum, 2007.

⁵⁹ City editor, national broadsheet, 2003.

⁶⁰ In-house company analysis.

In an overarching sense then the company developed strategically in ways that complemented the extant business model. The online and commercial businesses utilised and leveraged pre-existing physical and human assets. In turn, marketing was geared towards the acquisition of repeat business and the mobilisation of “customer assets” as advertising agents to the wider market. The steady growth of WC’s unconventional model led to considerable praise being heaped on CEO JS. One industry analyst described WC as “the aristocrat of the sector,” one of two UK chains that “stand out for defying [supermarket] hegemony.”⁶¹ Another sector analyst described WC as having a “database to die for,”⁶² whilst a leading market research agency described the organisation as “the only real star amongst the specialists.”⁶³ Still another singled out JS as one of the key architects of the “UK wine revolution.”⁶⁴

By 2007 WC had a 3% market share in still wines and a 10% market share of Champagne. This may sound unremarkable when considered in light of the market leader outselling WC by ten bottles to one.⁶⁵ However, a more considered appraisal would weigh the fortunes of WC *vis-à-vis* its high street specialist peers. Between 1980 and 2007 supermarket competition had forced all but four high street chains out of business. Once familiar storefronts like Victoria Wine, Unwins, Augustus Barnett, Bottoms Up, Fullers, and Peter Dominic had been consigned to history in a relatively short space of time, bearing in mind that “off-licenses” had dominated the market since the 1860s (Midgley, 2010) WC’s comparative success stemmed from a clear mission and sense of identity; it knew what it *can* and *cannot* do well as the following assertions underlines:

“JS is adamant that WC won’t do any of the following: launch any high street stores; sell by any denomination smaller than a

⁶¹ Article, management journal, 2013.

⁶² City editor, national broadsheet, 2003.

⁶³ Noted in a marketing journal, 2004.

⁶⁴ Article, national broadsheet, 2008.

⁶⁵ <https://www.campaignlive.co.uk/article/news-analysis-tesco-acquires-taste-fine-wine/732910>

case of 12; start selling sub £3 a bottle budget wine; launch its own label.”⁶⁶

Section Three: Recession and the heyday of “Wine Corp 1.0”

To recap, WC enjoyed a remarkable period of growth between the last industry affecting “external shock” in FY1993 and FY2008. Revenue and profit grew consistently because of disciplined expansion, like-for-like growth and incremental scale efficiencies. The company “ruthlessly targeted middle-class drinkers”⁶⁷ with a unique service proposition centred upon skilled staff delivering USPs. Amongst these were expert advice; the opportunity to “try before you buy;” free delivery; free parking; free deposit backed loans of ancillary products (glasses, ice buckets, ice bins) and a unique depth and breadth of stock.

In 2007 stores typically carried between 400-600 product lines and thereby offered an unrivalled range, at least by “bricks-and-mortar” standards. Roughly two-thirds of product lines were permanent listings meaning that they were procured on long-term contracts. The final third were temporary listings made up of one-off parcels and wines supplied on short-term agreements. Often these were secured on favourable terms as a prelude to permanent listings, and/or to enable suppliers to gain a foothold into the UK market.

A key benefit of the scale upon which WC operated was that it was not so big an organisation that small parcels became uneconomic, and yet it was not so small that it could not easily absorb a one-off purchase of several thousand cases. Hence, as a buyer and seller the organisation enjoyed significant advantages of over bigger *and* smaller rivals. As one buyer explained:

⁶⁶ Interview, online business forum, 2007.

⁶⁷ Article, broadsheet newspaper, 2012.

“If you look at the scale on which a Tesco operates there’s just no pointing buying [a one-off] 5 or 10 thousand bottles ... the profit would be a drop in the ocean for them.”

In August 2008 two events happened within weeks of one another that would define the subsequent half-decade for the company. The first event was the retirement of JS, who had been at the helm of WC since its modern foundation in 1991. He was to be replaced by Dan Mitchell (DM), who had been groomed for the role as part of a carefully choreographed succession plan. It is difficult to overstate the extent to which DM had already become “Mr WC” by the time that I arrived in the organisation in 2009. He joined the company via the same graduate management training programme as me in 1985. He was quickly talent spotted and nurtured through the ranks becoming retail director of the combined concern in 1991 and Chief Operating Officer in 2006.

Aside from being a “part of the furniture” DM’s temperament and charisma made him a larger-than-life figure embodying multiple forms of authority. Almost everyone in the company around that time had a DM story and I was no exception. My first encounter involved a dispute over grammar, when he expressed reservations over the use of an Americanised spelling on a “tasting note” I had written for the “wine of the week.” Later he also relayed (via my area manager) that my appearance was “too scruffy” and needed sharpening up. My second encounter with the renowned CEO better encapsulated the “*roll your sleeves up and do it*” ethos as described by the Operations Director above. On this occasion DM was dissatisfied with an unresolved electrical wiring problem that was causing a partial lighting failure in my store. Even as we explained that company policy had been adhered to he took it upon himself to fix the problem, spending the next two hours deconstructing wine stacks (so as to access the electricity control panel) and fiddling with wires and switches. Upon his departure the lighting problem remained unresolved.

Many of the stories that circulated about DM were altogether less comical though. One antic for which he was particularly well-known was to take a store manager “*out into the car park*” with the implied purpose of severe reprimand. Colourful language and

shouting were customary so these impromptu “feedback sessions” were dreaded by store managers. I only witnessed one such episode which validated that they happened, even if that occasion did not prove their severity. That said, one well-informed manager told me they had led to “*plenty of managers crying in their cars*” and having met DM I found this credible.

With weeks of DM becoming CEO the second major eventuality played out: the collapse of Lehman Brothers on 15th September 2008. This proved to be the penultimate catalyst of the sub-prime/credit crunch crisis precipitating “double-dip” recession from 2008 onwards. The initial impacts of economic contraction were significant and detrimental to WC. Profits fell by more than half,⁶⁸ principally due to the collapse of Champagne purchases in “the City” where WC enjoyed a large market share. Exact figures are not available but the company did confirm a “double figures” sales decline.⁶⁹ The other drain on profitability was “Cash & Carry Land” (C&CL), WC’s sole example of non-organic growth at that point. Acquired in 2001 for £7million,⁷⁰ C&CL was a small estate of “booze cruise” warehouses in France. The weakness of the pound combined with an emerging “staycation” trend rendered C&CL a costly liability.⁷¹ In FY2009 WC declared a £5.3 million impairment relating to the business division. To put that into perspective pre-tax profit was £7.4m for that financial year. Thus the *slow-and-steady* period of growth that emerged in the middle of the prior decade was thrown into reverse by macro-economic factors and internal vulnerabilities. Declining profit coincided with a dramatic revision in the stock price. A £1 investment in WC in February 2008 would have reduced in value to £0.27 one year on.⁷²

Regardless, in the medium term the domino effects of recession proved an unprecedented blessing for WC. The single biggest boon was the collapse of the company’s remaining national sub-sectoral competition. First to buckle was First Quench, the parent company of Threshers and Wine Rack in June 2009. At its height in 1998 First Quench had 13% of the UK take home drinks market, compared to Tesco’s

⁶⁸ AR-FY2009.

⁶⁹ Business analysis, national broadsheet, 2009(a).

⁷⁰ Interview, online business forum, 2007.

⁷¹ Business analysis, national broadsheet, 2009(b).

⁷² WC - investor relations.

14%. Even with a much-diminished footprint of 1,300 outlets by 2009 it remained the UK's largest specialist chain by some margin. All of its stores were closed in the aftermath of it being put into administration that summer. As First Quench disappeared Oddbins became the sole remaining specialist operating nationally. It survived the deepest recesses of economic contraction in 2009 but followed First Quench into administration in Q1 of 2011. Whilst its footprint was considerably smaller with 278 stores, Oddbins' disappearance was perhaps more significant to WC because it had a significant foothold in the mid-market.⁷³ Hence, WC stood to gain a considerable proportion of Oddbins' market share whereas supermarkets were better positioned to feast on the carcass of First Quench.

WC further benefited from the tactics of the large supermarkets who increasingly dominated the wine market as discussed above. As recession hit the "big 4" (Tesco, Sainsbury's, Asda, Morrisons) "*turned their guns away from Waitrose and aimed them at Aldi and Lidl*" as DM explained to a new intake of graduates in 2009. These supermarkets dramatically scaled back their wine range and placed enhanced emphasis on low-cost/low-margin lines. As a consequence customers seeking quality offerings found themselves deprioritised and ill-catered to, leaving the mid-market field altogether less congested. One industry analyst captured the transition well:

*"The supermarkets have ... shifted their focus away from WC's core customer, who buys a £6-£8 bottle of wine, to focus on the value end."*⁷⁴

A celebrated wine critic made similar observations – albeit, without specific emphasis on WC:

"The downside [of change in the UK wine industry since 1988]? The biggest has been the reduction of choice in the high street ...

⁷³ Defined roughly as bottles in the £6-£15 price range at 2008 prices.

⁷⁴ Industry analyst, national broadsheet, 2011.

Inevitably, this has made the supermarkets stronger than ever. Some of them use their buying power to list exciting wines (take a bow Marks & Spencer, Waitrose, The Coop and Booths) but most don't, preferring to use cut price deals to entice customers into store."

The overall effect of the market shake-out that commenced in FY2009 was polarisation and diminishment of competition. On the one hand there were fewer participants in the market and on the other hand, the remaining participants polarised further into two distinct segments with one driven by price sensitivity and the other driven by quality sensitivity. One industry participant made the point as follows:

*"You have to understand that there are two markets for wine: the bulk market and the discerning market. Most people who buy quantities of wine buy on price and on offers. You see that in the supermarkets: people pulling bottles off the shelf without looking at what they are buying ... One of the problems for the multiples is that they compete on exactly the same proposition as the supermarkets, and they can't win."*⁷⁵

5.3.1. "Foodies" & "Winos" – riding the wave and creating the wave

If WC found itself the sole occupant of a "sweet spot" on the supply-side then it is fair to say that demand-side factors also moved in the organisation's favour during recessionary times. A key example was the booming "foodie culture" that coincided with the UK's "love affair" with wine. These trends preceded the 2008 recession but became more pronounced during times of "austerity." *"Staying in [was] the new going out"* as DM liked to remark, arguing that home dining had become a fashionable and cost-conscious substitute for nights out. The success of cookery programmes like the BBC's "Saturday Kitchen" seemed to be both cause and consequence of said trend. A

⁷⁵ Quote from Midgeley, D. (2010) – see references.

portion of that show was often filmed on location in WC stores, occasionally leading to “market runs” on recommended products.

Whilst external factors had a positive net impact upon WC’s prospects it would be wrong to attribute improving performance to these alone. Under DM’s leadership the organisation was emboldened by prevailing circumstances and set about expanding as rivals contracted. He reminisced the maelstrom as follows:

“I actually quite enjoyed it, to be honest. I had seen two recessions before and it gave you a licence to do exactly what you want to do because you could say to everyone ‘don’t you realise there’s a recession on.’ ”

DM’s ability to enjoy a “down market” was greatly assisted by the strength of the balance sheet he inherited. WC had negligible debt going into the financial crisis, totalling £0.1m. When a colleague asked DM whether “[FLSWs] *have anything to worry about*” *vis-à-vis* the recession he responded as follows:

“We’ve got nothing to worry about because we don’t have any debt, and most of our estate is freehold which means we own our properties.”

Given perceived opportunities and a relative lack of constraints, DM set upon a strategy of expediting the long-standing WC model of organic growth. In the first instance this meant expanding the search for freehold opportunities in what had become a “buyer’s market.”⁷⁶ In the second instance it meant expanding graduate recruitment in a labour

⁷⁶ Interview with DM, national broadsheet, 2012.

market with similarly favourable conditions.⁷⁷ As Retail Director Oliver Mitton remarked in 2009:

“[the recession] has helped us actually. We have been able to get a quality of staff that we probably wouldn’t have been able to get otherwise.”

Another area of expansion was in product markets, because the global recession had led to a glut of supply against the backdrop of contracting demand. Again, a buyer’s market emerged wherein WC occupied a unique position to easily absorb large quantities of surplus. Management leveraged its strength to acquire a stream of “parcels” at exceptionally low prices between 2009 and 2013. Value was passed onto customers and WC benefitted from a PR coup because these parcels garnered publicity in the mainstream press.

DM’s tenure comprised a four-prong retail strategy as shown in Figure 11. To some extent it expressed mindfulness of emerging circumstances but the business model remained resolutely tied to that of his mentor J.S. The difference between the two CEOs was ambition and envisaged scale, because DM believed that the UK mainland could accommodate 330 stores, where JS proposed a more conservative 175.⁷⁸ In accordance with the enlarged target sixteen stores were opened per year between FY2010 and FY2014, which one industry expert evaluated as follows:

“WC’s expansion is fairly modest by normal retail standards, but when its growth is compared with the off-licence sector, its survival, let alone expansion, is remarkable.”⁷⁹

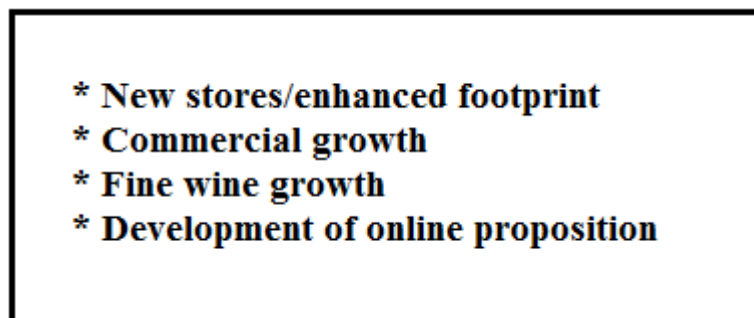
⁷⁷ Business analysis, national broadsheet, 2009(a).

⁷⁸ AR-FY2003.

⁷⁹ Article, national broadsheet, 2012.

It should be said that minor innovations were implemented during the early stages of DM's tenure (such as free "introduction to wine" courses), although the only substantial policy shift was to reduce the minimum purchase from twelve bottles to six. Management hoped that this would make WC more accessible, particularly to younger people with less storage space and disposable income. Trialling suggested net benefits meaning that the reduction in the average number of bottles purchased was outweighed by countervailing positives. One such examples was a higher "new customer conversion rate," referring to the number of "walk-ins" who followed through with purchases.

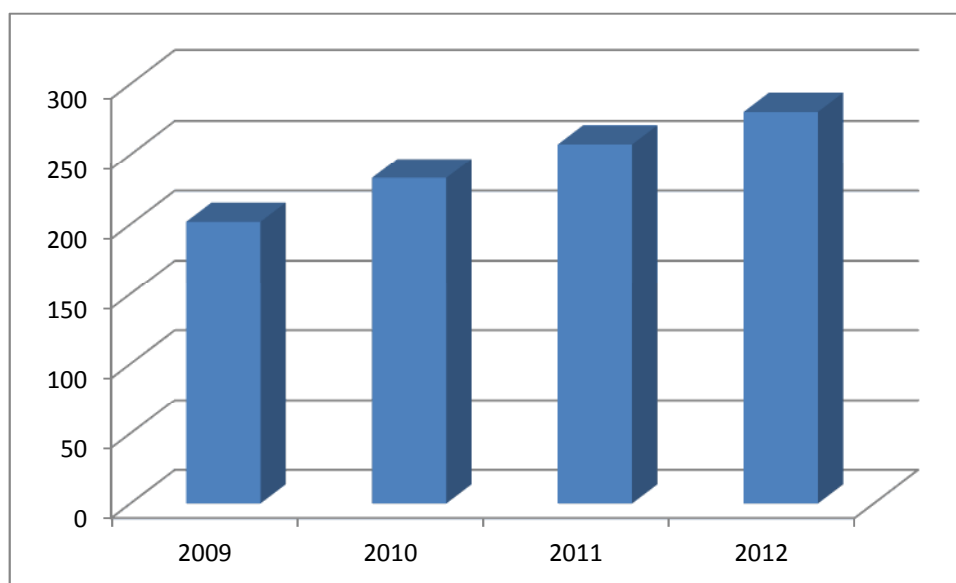
Figure 11: Dan Mitchell's four-pronged strategy



Industry commentators placed a great deal of emphasis on the switch to a "mixed six case" in explaining the rise of WC's fortunes subsequent to 2008,⁸⁰ although I would argue that it was of limited importance when compared to the external factors described so far. Whatever the balance, WC's market performance and financial results between FY2009 and FY2011/12 further fuelled the "golden boy" image that emerged during the late 1990s. As Figure 12 shows revenue grew from £202m to £280m during the high watermark of the double-dip recession, a 39% increase. Profits grew from £7.4m to £23.2m (see Figure 13), a 320% increase.

⁸⁰ For example, one online business report (published in 2010) described the policy as "instrumental in increasing the number of customers by 54,000 to 472,000 in the course of a year."

Figure 12: Revenue (£m) 2009-2012



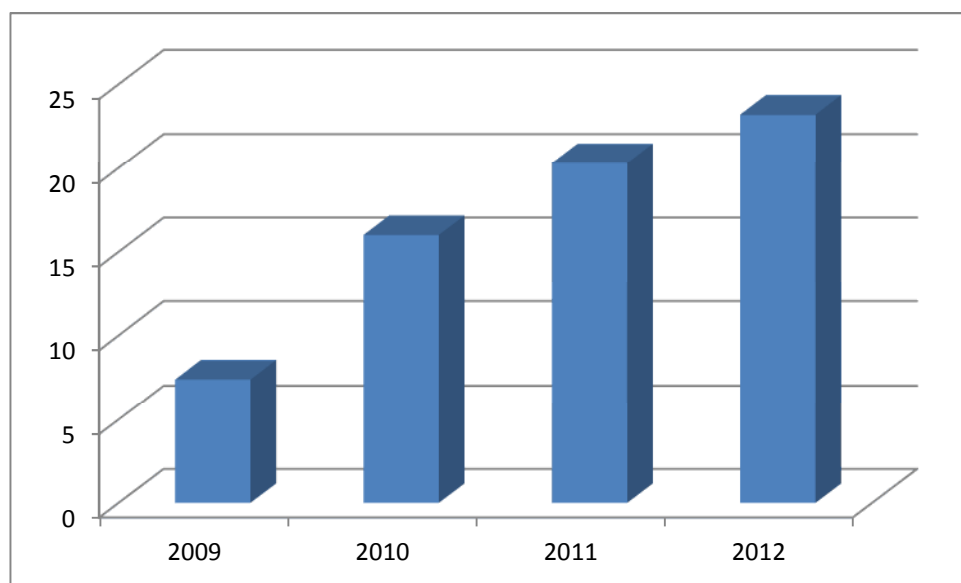
The ascendancy of the organisation was marked by more than sales and profit growth. Its market share expanded from 3% in FY2010 to 4% in FY2012, explaining much of the increase in revenue.⁸¹ The average bottle price also increased to £7.80 (compared to a national average of £4.80), meaning that customers were spending 61% more on average at WC. The expanded differential reflects the dual forces of market polarisation (as described above) and “trading up” to better quality options. Taken together these forces explain something of a paradox - that being, high(er) prices acting as a strength not a weakness in a period of adverse economic conditions. For producers and consumers alike its market position distinguished it as a quality/value place to buy and sell in the UK market. As one industry commentator put it in 2011:

“WC’s strength lies in the fact that its average bottle price is nearly £7, versus £4.60 in supermarket aisles, making it an important route to market for producers with pricier wines...”⁸²

⁸¹ Article, national broadsheet, 2012.

⁸² Industry analyst, quoted in a national broadsheet, 2011.

Figure 13: Profit before tax (£m) 2009-2012



A final effect of the processes described so far is that WC became a prime occupant of the industry spotlight. Its performance had moved the organisation to the centre-stage, as industry and market commentators increasingly took an interest in its fortunes. Articles featuring the organisation proliferated and appeared to change in nature. They became less about the organisation *per se* and more about stock market performance and analysts' interpretations. The later increasingly told the story of WC and framed the narrative, as is the case in the following commentary:

“Walter Pinkman, analyst with Aldridge securities, said the sales decline matched his forecast of a 3% fall in sales for WC during the second half of the year. “UK performance is therefore broadly in line with expectations,” he said. The broker has cut his earnings per share estimate for the year to March 2009 to 14.3p from 14.7p ... but has kept its “buy” recommendation, seeing brighter prospects ahead.”⁸³

⁸³ Business analysis, national broadsheet, 2009(a).

As was discussed above WC's share price dropped precipitously during the high tide of the financial crisis. It lost approximately three quarters of its value whilst the FTSE 100 industrial benchmark lost less than half. As the markets recovered though WC dramatically outperformed industrial averages with the share price exceeding 500% (as compared to circa-90% for the FTSE 100) in the following five years. Whilst it is not possible to attribute out-performance to any specific factors, it is reasonable to believe that the "commentariat's" love affair with the company was to some extent cause and consequence. This theme will be expanded upon in the following chapters.

Section Four: Discussion

One conclusion that may be drawn from the forgoing discussion of WC's establishment and development is that it neither spawned nor multiplied in a vacuum of entrepreneurial/managerial "blue sky thinking." The advent of WC intersected with broad socio-economic and cultural shifts that drove and reflected market polarisation in the UK. In its early period WC capitalised on a *foreseeable* shift in consumer behaviour within the sector. More recently it became a significant player in its own right, exacerbating the structural division between mass-market and "quality" goods/service providers.

A second conclusion is that constraints and opportunities each played their respective role in WC's emergence and growth. Constraints imposed by licensing laws and zoning regulations inhibited pre-existing market participants whilst constituting the guiding hand for WC's business model. The wholesale policy acted as the "base concept" and a cluster of offshoot policies reified its niche of "mid-market" differentiation. The idea was to exceed bottom-of-market participants in terms of product/service quality whilst exceeding elite merchants in terms of value. If achieved then WC could be the "best of both worlds" between price and quality.

Although external macro and meso forces and factors have been shown to be central to the WC story the agential input of management should not be understated as said. A

considerable degree of creativity, ingenuity and skill was required to transform a loose vision into a profitable business system. Once established, then discipline would have been required to maintain and sustain adherence to the “WC way” in a competitive environment characterised by constant flux.

A final conclusion that may be drawn is that WC owed much of its success to the way it managed assets both physical and human. The roll-out of new divisions provides an excellent example of how WC’s management profitably pursued new revenue streams. The fast-growing online business leveraged pre-existing assets (store vans) and USPs (its free delivery service) to increase revenue with low marginal costs. Similarly the “on trade” commercial business involved better utilisation of store space and upgrades to IT systems supporting “off-trade” activities. Again, the pay-off was sales with low marginal costs and improved return on capital employed.

The next chapter tells the story of the DM regime in the period between 2009 and 2015, with an emphasis upon the dual effects of continuity and change. A key theme of the discussion will be the constrained agency of management given the legacy bequeathed by predecessors as discussed in this chapter. Particular attention will fall upon the nature of management-FLSW relations, building further upon the theme of airbrushed versus non-airbrushed WC life introduced at the outset.

CHAPTER SIX: A DECADE IN WINE CORP

Chapter Five concerned itself with reaching back into the past of the organisation and industry, in order to situate the decade of ethnographic research that the present chapter concerns itself with. This Chapter is split into two parts, with Part A focusing upon the regime of Dan Mitchell (DM) and Part B focusing upon the successor regime of Lyle Fisher (LF). The main objective is to connect the situated experience of FLSW with social-economic forces and the structurally embedded agency that framed and constrained it.

A question that may be posed of “extending out” from shop floor observations is whether it shifts the emphasis towards things that ethnography is not well equipped to speak of. The question I refer to is *why study people in places if you are going to talk about extra-situational phenomena that are not available (or easily available) for study at that level?* In anticipation of such reservations I wish to make three points. Firstly, as I embarked upon this study it was not my intention to progressively fixate upon forces and factors *outside* the setting that shaped experiences *within* it. My initial focus was upon mundane aspects of daily life as it related to the labour process (see Chapter Seven), going so far as to record interactions with a view to examining them in intricate detail. I only departed from micro-study as I grew progressively certain that the rhythms of shop floor life were to some extent unintelligible without developing connections to the broader institutional context (see Barley & Tolbert, 1997).

A second logic that underpinned the study of institutional effects via personal engagement in WC’s FLSW was that it was epistemologically compatible with the critical realist framework, as described in Chapter Four. Within critical realism the principal analytical tool is “retroductive reasoning,” which means asking *what has to exist* in order to explain whatever emerges at the empirical level. This mode of analysis presupposes that the first step in the process is empirical-level engagement, because this then cultivates leaps of sociological imagination. In my view ethnography is the best and perhaps only way to develop a sufficiently nuanced understanding of frontline life so as to facilitate credible retroduction.

Finally, whilst it is common for ethnographers to confine themselves to immediate and local-level connections a considerable number have looked beyond them – sensing a need to explain situations in light of structural frames. One exemplar is Burawoy's *Extended Case Method* (1998), wherein he develops an argument in support of “reflexive science.” Whilst phases one and two of his research procedure may be regarded as standard features of post-positivist ethnographic methodology, his third phase focuses upon “*extending out from process to force.*” (p.19) He illustrates the value of his “vertical approach” by cross examining his ethnographic work in Zambia. What he progressively discovered there was that the outcomes and experiences of “Zambianisation” at the local level could not be explained without simultaneous examination of national-level interplay. Twenty five years on and with the benefit of hindsight, his main regret was his failure to further extend his case to the international level. He felt that this was a necessary next step in fully capturing the forces and factors that shaped social dynamics in the copper mines he observed:

“Looking back now I underestimated the importance of international forces ... [In light of these forces] the Zambian economy is being recolonised at the behest of its own African government.”

Nonetheless, the end result of Burawoy's analysis was the contention that the experience of “Zambianization” at the workplace level was shaped by politics, power and economics that were unapparent thereupon. To further underline the explanatory value of “extending out” Burawoy (1998: 6) identified a number of other ethnographies that have adopted the principle including Smith's (1990), which elucidated the power of markets over working lives. It is in this vein that I lay emphasis upon the two WC regimes in Parts A and B below, given that the research question concerned *the forces and factors that shape the experience* of FLSW in WC. They are written as self-contained but deeply interconnected essays on “causes” and “effects,” which will be further expanded upon in subsequent chapters.

PART A: THE “CRISIS” OF WINE CORP

As was discussed in the previous chapter, an array of factors elevated WC into an industry and City darling in the early years of the present decade. At the heart of the matter was explosive profit growth, with the company comfortably exceeding market expectations between FY2010 and FY2012. This contrasted markedly with the steady and consistent growth that defined the fifteen-year period up to the recession, under the leadership of James Smythe (JS).

Paradoxically, much of this success was driven by adverse market conditions which ultimately served to thin out competition and alter the supply/demand balance between wine suppliers and retailers. Survivors of the market shakeout found themselves in an unprecedentedly strong bargaining position, and a similar chain of events played out in the graduate labour market. Some of the UK’s more prestigious entry-level graduate employers scaled back recruitment during the recession,⁸⁴ whereas WC scaled-up and attracted a calibre of staff perhaps beyond its grasp prior. The majority were drawn from prestigious Russell Group institutions and entrants with 1st class honours were not uncommon.

The purpose of Part A is to tell the inside story of how rapid growth and a reputation as the best in the business rapidly soured. Whereas the period between 2009-2012 witnessed an organisation in ascendancy (see previous chapter), the immediate aftermath saw it reframed as one in “crisis.” The objective then is to explore said crisis in light of causes and effects, with an emphasis upon the impact of continuity and change for FLSWs and customers. It will be argued that management became locked into a pattern of short-term profit maximisation that greatly undermined the experience of FLSW actors. Whilst sales and profits did not fall off a cliff, they did shudder to a halt because of lost momentum. As sales growth seized up management sought to sustain profits through an ever-intensifying programme of cost control and “direct control,” which reduced rather than enhanced competitiveness in the marketplace.

⁸⁴ See Curtis, P. Shepherd, J. (2009) “Graduates facing ‘slim’ job market in downturn,” *The Guardian*.

Whilst these factors did not necessarily *cause* WC's relative decline in and of themselves, they did exacerbate it by diminishing relative strengths. In the meantime competition improved and proliferated with some offering a strong service propositions, and others assaulting WC's core market of quality-value bought in-bulk.

Part A begins by clarifying the meaning of "crisis" before examining the impact of management's prior policies upon contributing factors. In relation, it will be shown that a key aspect of FLSW in WC is a contradiction between "operational" and "commercial" role requirements which jostle for time and attention. The practical effect of management's stewardship was to lock FLSWs into a near constant fire-fight between contradictory pressures throughout the period, with the perverse effect of making them feel and seem too busy for individual customers. The latter's defection then justified cuts to the frontline that further amplified the problem in a self-perpetuating spiral of decline.

Subsequently, the nature of management control will be discussed with emphasis upon the enhanced role of regional managers (RMs). This will be followed by analysis of the specific challenge posed by competitors and management's response which was to defend profits, hastening relative decline. Part A concludes with a consideration of why management myopically held course.

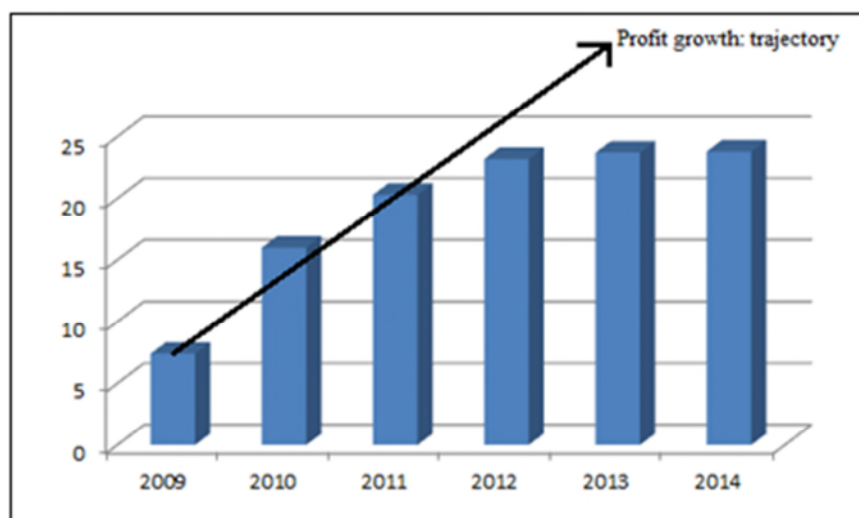
Section One: The meaning of crisis

It is interesting to consider the origin of the "crisis" label because it was neither embraced nor accepted by WC's leadership. Primarily the term (and others such as "ailing" and "failing")⁸⁵ emerged in the aftermath of financial results for FY2013, when the organisation failed to sustain previously rapid growth. Profit did grow by £0.5m in FY2013 but sales contracted by 2.1% from £280.3m to £274.4m. This was the first time that sales had fallen since the formation of modern WC in 1992, and it could not

⁸⁵ Both used in broadsheet commentaries around the time.

credibly be attributed to external factors alone. Furthermore, the trajectory of growth prior (see Figure 14) put its sudden absence into sharp relief and facilitated a shift in narrative arc from “star performer” to “problem child.”

Figure 14: Wine Corp profit before tax (£m)



There were reasonable bases to question the extent to which stalled profit and sales growth really warranted the label “crisis” as management would have been eager to point out. There was little appetite for rigorous critical introspection amongst media outlets though, who seemed content to mirror the dour interpretations of City analysts.⁸⁶ For example, one could have argued in management’s defence that retaining/consolidating market share and healthy profits in FY13 was an acceptable achievement in an increasingly cutthroat marketplace. The management line was exactly that; the thrust of both AR-FY2013 & AR-FY2014 was to say that investment in “strategic initiatives” (e.g., a new Head Office and distribution centre) had combined with negative sectoral growth and rival’s loss-leading to stymie growth temporarily.

⁸⁶ From at least 2011 onwards WC’s trading statements received wide media coverage featuring City analysts’ interpretations.

Management essentially argued that the cake had become smaller and competition more voracious at a time when WC was enduring short-term pain for long-term gain.

The gap between management's rhetoric of differed gratification and frontline reality was strikingly ironic for those who worked on it though. Whilst it was true that a much-enlarged footprint had forced management's hand in expanding central operational capacity, talk of "investment for the future" seemed little short of Orwellian to FLSWs who were struggling with ever diminishing resources. WC had always extracted profit based on small teams adding value through lean functional flexibility (see previous chapter) and there was no "golden age" when resources were abundant and the work pace was leisurely. That said, the gap between *lean* and *mean* was a fine one that management increasingly transgressed as the Dan Mitchell era became embedded from 2010 onwards. Sales targets increasingly became the stuff of fantasy, whilst multi-pronged pressures to do more with less became saturating and demoralising.

6.1.1. From steady growth to profit maximisation

When judged upon what they did rather than what they said, management chartered a course with an implied purpose of optimising near-term profits during the fair-weather years post-FY2009. There were many aspects to this but it was suppliers of labour (i.e. FLSWs) and merchandise who bore the brunt, as management sought to capitalise on opportunities for marginal gain that emerged within prevailing circumstances (see Chapter Five). Above all, FLSW expenditure was micro-managed and reduced to levels increasingly regarded as dangerous to FLSWs and self-evidently detrimental to the company. A growing sense of outrage is passionately stated in an email sent to Dan Mitchell (DM) in the summer of 2011 (Figure 15), although everyone in the company was "cc'd" in. The sender was an anonymous FLSW who had reached breaking point.

Figure 15: FLSW resistance to “austerity” conditions

“Dear Dan,

Your company is appallingly understaffed. I get very close to the end of my tether with WC and I wonder whether sometimes you just don't know or that's just the way the company makes money. The way WC is staffed defies belief. I think you have lost all touch with what happens on the ground. I can count on one hand the number of times I have been in store with three members of staff. You get graduates to be delivery drivers. You leave businesses with turnovers of £1m plus with one staff member, often trainees, in charge. WHY. WHY. WHY WHY?

Every time the phone rings [and] there are multiple customers in store, you lose money. Every time you leave a store short staffed the store suffers ... Ignoring the fact that this rules out your dedicated staff from achieving pathetic bonus and chasing sales that month, you lose money. With 30% of that money you could pay for two people in stores. It defies belief that you would not want to help staff out. It is stupidity itself to run so many businesses this way.

An early experience of mine with WC was meeting a female store manager who was left on her own in store working ten days in a row. This stuff happens, all the time. Perhaps your regional managers [RMs] are not telling you straight, nobody wants to cause a fuss, but you drive staff into the ground, never mind the salary. No wonder people can't wait to get out. The cover system as it stands is completely inadequate. Your central London operation, the core of your business, is run on a shoestring, it is a joke.

I have had this thought process so many times and talked to so many people about it, but nothing gets done. You are failing your business on a daily basis. You are losing money every day. I can honestly say that I have never worked in a store that is properly staffed. WC is limited more than anything by the lack of proper staffing. There are plenty of bright and willing servants available to you and your Head Office initiatives are very strong. But you stiff your core workers beyond all belief. There is no longevity beyond sheer exploitation in this model.

I am coming to the end of this rant, but I notice the shortfall more and more. Slow computers and the tills cost the company huge amounts ... Start manning your teams properly, stop the culture of exhaustion ... and stop being a prick who has no idea how to manage a business. Think about it.

An employee. For now.”

In the immediate aftermath I did not encounter a single FLSW who disagreed with the substance of the argument here. A few took umbrage with the language, arguing that “calling him a prick is not productive.” Nonetheless, the overarching response was to acknowledge the extent of the problem whilst despondently agreeing that “*nothing will be done so there’s not much point*” (as one veteran store manager explained at the time).

What made this message poignant for me personally was an overlap between one story it contained and my own experience around the time. The email was sent in July and the timing was no coincidence, as the six weeks up to school holidays is a stress high point in the year - with frenetic activity coinciding with “skeleton crew” staffing levels. In these circumstances the day job becomes one of constant crisis aversion – i.e. muddling through by whatever means until a full cohort of staff is available again. During the busiest two weeks of that Summer I was left alone to run my store for ten continuous days myself. The full trading week within that “10 day stretch” set the record for store takings outside of Christmas, speaking to the volume of trade and activity. Despite this I was abandoned and only received “temporary cover,” which referred to a FLSW from another store covering deliveries and returning to their home store immediately afterwards. The rotas would show my store as being “on two” – i.e., staffed by two people that day – but in reality I was “on one” because temporary cover would provide no store assistance. Were they to do so then it would leave their own store “on one,” transferring the problem rather than resolving it.

Several years on I can still recall my anger and frustration at the “*stitch-up*” (to use WC parlance). It remains the only time in ten years when I broke the “third wall” and shared my true feelings with a customer who had the misfortune of catching me at the wrong time. It was not intentional, but the customer made some unsolicited remarks along the lines of “*you seem stressed*” and “*why are you here on your own*” and I responded without reference to the usual diplomatic script. As with the emailer above, I knew full well the futility of communicating my frustrations upwards so found myself venting to a customer instead.

Being “on one” remains to this day the most fiercely disliked aspect of FLSW in WC. Due to the company policy of “*getting graduates to be delivery drivers*” as the emailer put it, three staff members would have to be rostered to avoid extensive periods of lone

working on a given day. For many smaller stores this would have been to field their full team of three FLSWs, which rarely happened in practice due to routine days off, holidays, sickness and “cover” - the practice of sending FLSWs to work in other stores. This explains the meaning of the complainant’s remark that *“I can count on one hand the number of times I have been in store with three members of staff.”* He/she was highlighting the gap between staffing levels on paper and in practice.

Worst-case-scenarios of working “on one” were fortunately infrequent, but still happened often enough to justify vehement health and safety concerns amongst FLSWs. A few instances were of sufficient magnitude to warrant national press attention, such a knife attack in a London store in 2014. As was reported:

“A man entered and first demanded money from the safe before threatening to kill the employee. A violent struggle ensued in which the victim was beaten with a bottle of wine causing serious cuts to the head as well as stab wounds to the arms and hands. Cash was stolen and the assailant left the premises after locking the heavily bleeding victim in the toilet.”⁸⁷

Interestingly, the comments section became a forum for past and present WC employees to share experiences and condemn management. A few other comments appear to have been left by concerned outsiders:

Anon.1: *“So that’s how much the Board ... value the health, safety and wellbeing of their staff? Bizarre – what a great company to work for.”*

Anon.2: *“Well put Anon 1, Truly awful company to work for. The way they treat their employees is appalling....”*

Anon.3: *“How many staff were present? If the victim was locked in the toilet it sounds like no other staff were there. An entire store full of high-value stock, with cash on site and only one member of staff present to open and watch the store. Staff need*

⁸⁷ Trade magazine, 2014.

to be protected and kept safe. Perhaps they should review how many staff are on duty, as one staff member ... is an easy target, 2 is better and 3 is a possible deterrent.”

Anon 4: “There is far too much ‘solo working’ at WC and it is simply unacceptable. I would often work shifts alone for 2-3 days ... and even when there are two staff members in store, one is out for most of the day doing deliveries ... Asides from fear of attack or robbery, quite simply no provision was made for employees to take their lunch break (in which time, contractually you are allowed to leave the store) or toilet breaks as closing the shop was ‘frowned upon’ by RMs.”

Anon 7: “One of the reasons I left the company was lone working. I used to get very nervous working alone, especially when multiple customers were in store. As to management not wanting staff to close the store, I was working alone quite often and printed a sign saying ‘back in five minutes’ to put on the door for toilet breaks etc. CEO [DM] visited the store, saw the sign and tore it up saying that the door should always be unlocked during opening hours.”

Asides from the institutionalised practice of “lone/solo” working, the other major employment-model bugbear was the “cover system.” To elaborate, cover within WC is an extreme form of flexibility that requires FLSWs be redeployed to other store within their region - sometimes with no notice. The commonality of the practice was such that junior FLSWs could go weeks without working in their home store. I myself have endured countless periods as “*cover bitch*” (to use a common frontline terminology). In one memorable example I was instructed to run a store for two weeks that I had never even visited. I would be “lone working” for the duration and was given only one day’s warning. Written instructions were provided to activating/de-activating the alarm and I was otherwise “thrown in at the deep end.”

Not only was the task daunting but it self-evidently exceeded a contractual requirement to comply with “reasonable requests.” With daily commutes said cover assignment stretched a ten-hour day into a twelve-hour day. Furthermore this “ten day stretch” translated into 120 hours of solo working/commuting between my days off, with only mileage as additional compensation. Most FLSW’s “*quite liked*” or “*don’t mind doing cover occasionally*” but systematic abuses such as this one were deeply resented. A person “*doesn’t have a life*” as Rose put it in the previous chapter.

To fully understand the challenge of “lone working” requires a detailed grasp of the nature of the FLSW experience. In the first instance customers have an uncanny knack of coming in “waves” rather than a steady flow, so lone workers can easily be overwhelmed. Bursts of commercial activity could come at any time in WC stores due to a high proportion of “atypical” shoppers (i.e. those who do not work full-time office hours), with the additional implication that there was limited predictability to work around tactically.

Waves are likely to be common in many FLSW environments but the effects are better absorbed by some formats than others. For those operating self-service/numerical flexibility (e.g. supermarkets), waves may be absorbed by tactical rostering and FLSW’ alternation between simple functions (till work and shelf-stacking). Self-service tills may also act as a pressure valve, providing a means for some customers to serve themselves. The problem that FLSWs in WC confront is that many customers have the dual expectation of efficient and *personal* service, creating a contradiction for the solo worker that is only partially manageable. By definition a FLSW cannot offer “quality” personal service to more than one customer at a time. Furthermore waves can bring an assortment of customers with some looking for tailored/expert service and others looking for frictionless and quick transactions, not unlike the customers who use self-service tills in supermarkets. It is not possible for a lone worker to satisfy several customers with different wants and expectation at the same time in WC stores. The overall effect is to render them highly vulnerable to the inherent unpredictability of customer flows, and after ten years’ experience I continue to find these situations daunting exercises in damage limitation.

Structural and systemic weaknesses are determinate factors in shaping the prevalence and nature of these circumstances. A key factor is the antiquated and non-intuitive

“EPOS” (electronic point of sale – aka “till”) system, which makes complex transactions (e.g., multi-destination orders) difficult and time consuming irrelevant of operator experience. Hypothetically even simple transactions would be beyond the scope of customer self-service because unlike with self-service tills (the type common in UK supermarkets), the interface is not self-explanatory. Obviously stores are not structurally set up for self-service either, meaning that customers would have to transgress territorial boundaries to process their own sales.

These pressure points of WC FLSW in general and “lone working” in particular were amplified during “cover” because I would be on unfamiliar terrain. Whilst stores are standardised in some senses they also differed in terms of unofficial customs and layout. This can make it difficult for cover staff to operate efficiently and effectively outside of their home store. I recall times where to my embarrassment, I had to ask for customers help in finding things or getting things done because they seemed to know the store I was covering better than I did. It is difficult to imagine Tesco or Sainsbury’s FLSW’s asking customers for help in the same sense.

6.1.2. Store operations

In WC lexicon FLSW was divided into two elements: “commercial” and “operational.” The former boiled down to activities directly relating to the processing, execution and nurturing of sales. The latter referred to store-related activities that do not correspond directly with the wants or needs of any particular customer. Many of the operational aspects of FLSW were closely associated with commercial activities to the point where a distinction between “operational” and “commercial” was blurry in practice - for example, the enactment of a promotion has both operational and commercial dimensions. Regardless, operational activities represented a large constituent part of FLSW in WC. Specific examples include van safety checks; toilet, kitchen and car park cleaning; routine store safety checks; office supply orders, direct orders for merchandise; “stock runs;” “IBTs” (moving stock between stores); stock takes; stock rotations (where merchandise sections are relocated) and rota management.⁸⁸

⁸⁸ A detailed overview of remarkable operational elements features in the Appendix, Section 6.

Taken as a whole the range of operational challenges were considerable and FLSWs were required to manage and execute all of these within (and often without) their small teams. As “functional flexibility” implies there was no budget to outsource the less appealing aspects of FLSW, meaning that graduates are hired as toilet cleaners as well as delivery drivers (to paraphrase the anonymous emailer above). Some operational requirements were time sensitive with stringent deadlines (e.g. stock takes), which took up to one week of every month to complete. Others were rolling requirements that lubricated the day-to-day functioning of a store (e.g. cashing up, tasting counter maintenance). If left unattended many of these would not grind the operation to a halt but prolonged neglect would make work-life considerably less liveable.

Unquestionably the most physically exerting and time-consuming operational activity was the “drop” – WC lingo for receiving and merchandising depot deliveries. Most stores got one or two drops per week, each containing one or more pallets comprised of circa-650 bottles of wine or equivalent (see Figure 16). A typical drop would consist of 2-4 pallets with varying content. Sometimes a pallet would be filled with one popular product and other times it would feature innumerable products in small quantities.

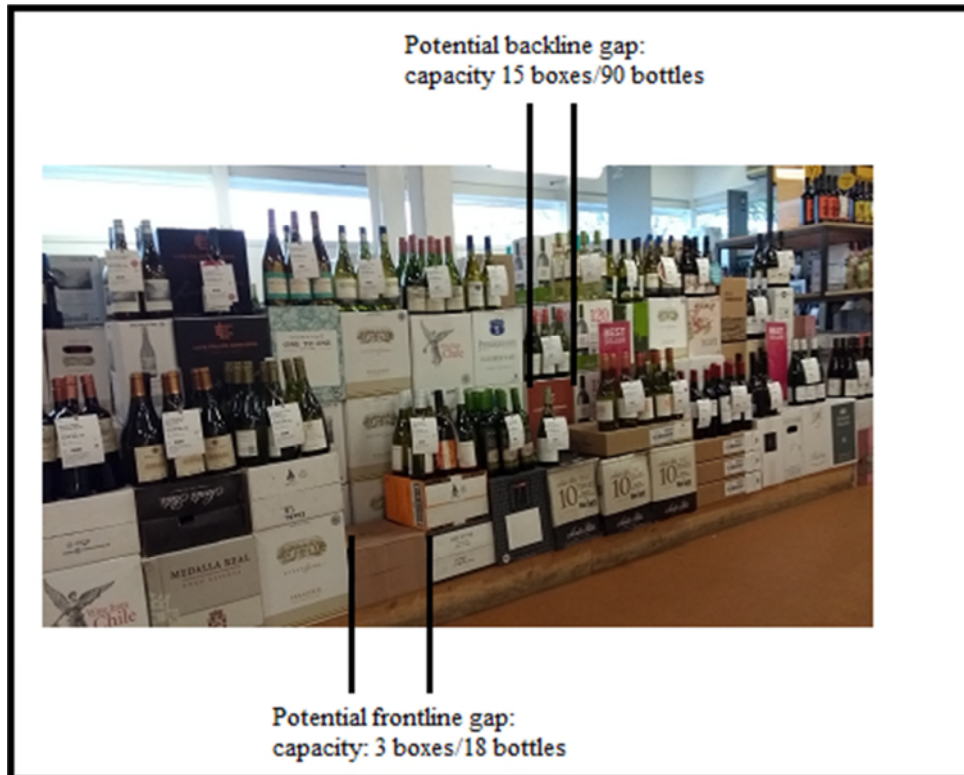
Figure 16: A two pallet drop



“Bitty” pallets were particularly time consuming because they involved a greater number of distinct merchandising moves. In contrast, pallets with large quantities of fewer products could be merchandised quickly because the time-consuming aspect of

merchandising was carving out the “gap” (see Figure 17) and clearing/rebuilding sections as part of the process. Considering these efficiency gains, merchandising 200 bottles of a single product took a fraction of the time that 200 bottles of multiple products would.

Figure 17: Merchandising Tetris



Several other factors acted to make drops the preeminent operational challenge for teams, and these go to the heart of the store format/business model. Firstly because stacks of wine acted as the shelving, elaborate systems of “store standards” had evolved that FLSWs were required to adhere to. Products must go in their respective regional/product-type sections (i.e., Australia, Chile, Sparkling, rose); must be divided into red and white; and must be “date rotated” so that older stock sells first. Rows must be neatly lined up, level, and have minimal gaps between products to replicate the presentational standards of fixed shelving (see Figure 18). Furthermore, up-to-date “POS” (price/information ticket) must be on display and signage in place to demarcate respective sections.

Figure 18: Textbook Wine Corp merchandising



It is easy for outsiders to underestimate the time and effort involved in merchandising and date rotating - say, fifteen cases of lager into a tightly packed section (see Figure 19 below). One would be required to clear the space to access the product; remove and restack older cases nearby (without blocking the aisle); transporting new cases to the gap; insert them securely; reintegrate the older stock in reverse date order; replace anything you removed to clear the space in the first place, then put out a “POS” if necessary. With intermittent commercial “distractions” (i.e. customers) this one simple operation could take a lone worker a couple of hours on a busy day. In such situations being “on two” makes a dramatic difference because you can “double-team” merchandising and “sub-specialise” when customers are present (see Chapter Seven).

Figure 19: Textbook beer merchandising



A second factor that made drops the chief operational challenge was that store teams had little control over what got distributed. A lack of storage space within the solitary depot meant that merchandise had to keep moving and stores got what they were given. Any meeting of actual stock needs would be coincidental, so teams would often find themselves overwhelmed with unneeded and impractical merchandise – for example, two pallets of New Zealand wines when the respective section is full. It is worth reiterating that many stores had little backspace, so the content of drops had to go somewhere on the sales floor without breaching “store standards.” To make matters worse time pressure emanated from the fact that drops had to go “away” prior to the next one, otherwise stores would become inoperable. Neglecting customers on this basis was a structurally-embedded institutional norm.

It is only when the jigsaw of operational and commercial features of FLSW in WC are put together that one can begin to appreciate the challenging nature of the role. In an ideal world operational and commercial challenges would be evenly spaced and synchronised with resource allocations. In reality, periods of intense commercial activity were mirrored by periods of intense operational pressure and *lean-functional-flexibility* was easily overwhelmed by surges in customer demand and/or failures of labour supply. When this occurs life on WC’s frontline became a lonely, helpless and frustrating experience due to the sheer impossibility of handling so many competing priorities *effectively*.

The boom years of rapid profit growth between FY2010 and FY2012 were fuelled by a “perfect storm” scenario for FLSWs of solo working, under-resourcing and conflicting operational/commercial demands. I do not recall ever meeting a WC FLSW who did not accept that “*the job swings in roundabouts*” - shorthand for inevitability of peaks and troughs. That said, when “*swings in roundabouts*” morphed into systematic and systemic “*taking the piss*” then a line was crossed and anti-management sentiment proliferated.

6.1.3. Meet Doug Slazenger

To tell the story of life within WC's Region X without mention of its notorious regional manager (RM) would be to provide an incomplete picture. If DM was the patriarchal "Mr WC" then Doug Slazenger could fairly be described as "an apple that hadn't fallen far from the tree." Dan and Doug had much in common: they both "*bled blue*" (an insider's term for WC fanaticism); they were both big men physically and they both enacted their role in a "big man" manner. Furthermore, in the way that everyone had a DM story (as mentioned in the previous chapter) everyone also had a Doug story – one that typically made him the butt of humour.

As such, Doug-centred gossip was rarely flattering but it did fairly reflect his larger-than-life presence. To many he was a buffoon, oblivious to the unreasonableness of his expectations and at the same time impossible to please. To take but one example of his antics, if a team exceeded all headline KPIs for a given month it would only lead to Doug attempting to find an obscure indicator that the team had not exceeded. He would then inform them that "growth in beer sales had slowed" or "margins are down on fizz" or something equally marginal in significance. Pettiness like this underpinned a consensus that Doug "hadn't got a clue," although some FLSWs did exhibit a slightly more nuanced perspective. One store manager explained to me that "*I don't like him but I respect him.*" Others argued that "*he's alright*" or "*he's OK,*" but would typically counter-balance their assertions with a range of caveats.

Another widespread observation concerning Doug's behaviour had regard for his naked favouritism, which was based primarily upon his perception of FLSW's personality. Doug liked "big personalities" as a rule, and his treatment of FLSWs hinged almost entirely upon his appraisal of them in this regard. Doug conflated the attributes of cliché extroverts with the perceived requirements of good salesmanship and "bringing in the punters" (to use his term). In Doug's mind these were the hallmarks of his own success as a store manager, and he never tired of telling stories about his sales heroics.

Against this backdrop Doug reluctance to demonstrate his sales skills to FLSWs was surprising and incongruous, although it came much to their relief. Doug's sales technique was to stalk customers like a predator stalks its prey. The latter's insistence that they were "fine" or "just looking" would normally be ignored and Doug would pursue them, offering advice and unsolicited recommendations. Doug preached "soft-selling" but did not practice it, leading to several customer complaints relating to his aggressive and harassing style. He nonetheless used that style as the benchmark to assess subordinates' skill with customers. Those who pursued customers and pushed hard on special offers, USPs, add-sells and up-sells were awarded Doug's designation as "commercially aware" or "savvy." Failure to enact such methods risked relegation to the status of "bit part actor" in Doug's mind, which put perennial pressure upon FLSWs in Region X to performed over-dramatised displays of salesmanship to avoid adverse labelling.

Further quirks were that Doug would endlessly contradict himself within and between store visits, phone calls and emails. As a typical example, on one visit Doug would insist that merchandising standards "don't matter" and that bad merchandising indicates "a busy store." On the next visit (with other factors equal in visible terms), he would insist that had merchandising is an indicator of underperformance and instruct the teams to remedy it accordingly. This lent Doug an air of unpredictability and reinforced the notion that FLSWs could not win either way.

Through the lens of subordinates Doug was a flawed RM with frustrating limitations. Aside from the aforementioned aspects of his persona Doug was regarded as a robotic "company man," indifferent to FLSWs' concerns. Even so a "better the devil you know" sentiment echoed throughout Region X, in part because Region Y's RM made Doug seem loveable by comparison.⁸⁹ The man in question Sep Parker was notorious for micro-management and machine-like regurgitation of "company line." He reminded those in Region X that life without Doug would not necessarily be an improvement in circumstances.

⁸⁹ Region Y borders Region X. Some colleagues had worked in both regions.

6.1.4. Dan Mitchell's "trusted" field commanders

Both Doug and Sep were figureheads of a new generation of RMs that came through the ranks during the early stages of DM's tenure as CEO. Dan sat on the final interview panel for promotion to RM, such was the importance attached to the role. He and his Retail Director wanted people who would vanquish WC's supposed "dark old days," and transform WC into to a "professional" and systematised chain. Dan's role model was Tesco, the UK retail giant whose market dominance seemed unassailable during Dan's formative years on the WC board. Both he and his mentor JS regularly professed their admiration for Tesco, often framing their thoughts in terms of "*what Tesco would do*" or "*what Tesco would not want us to do.*"

Whilst never stating it as explicit policy, one of the ways in which DM would seek to emulate his posterchild was to enhance command and control as the principal management style. In accordance the role of RMs would be to police frontline performance, ensuring that management's prerogative was pursued in both letter and spirit. The intended outcome was for WC stores to become "*more like supermarkets*" with standardised layouts and procedural regimentation.

Given these aspirations the promotion of Sep and Doug was rational from the management's perspective. They wanted RMs who would be uncompromising in their aspiration to align management's conception with store reality. They also wanted people who would be unflinching at the prospect of optimising profitability by pursuing KPIs at the lowest possible cost. As a reflection of the ethos, a retired RM confided in me that his former peers competed to be the most under budget each year. To put it in his words "*they're fucking their own people over.*" Another well-known RM practice was to leave it a month or more before replacing FLSWs, meaning that lulls in the trade or staff holiday cycles did not necessarily provide respite from understaffing. Slack in the system was non-existent in WC, meaning that a few resignations or instances of sick leave would throw the whole region into crisis (bearing in mind that the cover system would redistribute capacity and cross-contamination would therefore occur).

The standard application of such practices goes some way towards explaining the ambivalence towards Doug within Region X. There was no doubt amongst seasoned observers that RMs' agential scope was tightly leashed, particularly during their formative year when they would be chaperoned by a "bleed blue true believer." This is not to say however that RMs were not powerful actors, they were after all budget holders for their region and the most senior manager full-time in the field. They also had the power to dismiss FLSWs (unlike store managers) and to champion favourites, which Doug and his ilk took to new extremes by appropriating the power to determine promotions to store assistant manager. Previously this was vested in store managers but the new generation of RMs could not resist adding it to their power/control armoury, one can only assume with management's blessing.

There were logical advantages to justify this appropriation of control. It enabled RMs to prioritise the broader interests the region and to fast-track favoured FLSWs towards store manager posts. It also enabled them to coordinate "chain-moves"⁹⁰ throughout regions to broaden experience and/or retain valued staff. Nonetheless, the downside in Region X was experienced by FLSWs who had failed to curry Doug's favour. They would often find themselves permanently side-lined with no conventional basis of appeal.

The appropriation of power over store promotions symbolised and exemplified the shift towards top-down control and centralised decision making. Henceforth RMs would have the final say on all matters of substance whilst generally functioning as conduits of management's prerogative. Essentially the role was to make regions as profitable as possible whilst simultaneously ensuring that all stores "sung from the same hymn sheet." To that end they were put under considerable pressure themselves as one former RM explained to me in a telling anecdote:

Informant: "*Did you ever meet Sally McGuinness?*" [one of the most senior RM's in WC]

⁹⁰ Where promotions are used as an opportunity to move a number of FLSWs sideways, assuming the same roles in other stores.

M.J: *“Yeah, I met her once at a store opening, she seemed solid ... she’s got a good reputation.”*

Informant: *“Yeah she was ... Well she quit and went to work on the meat counter at Tesco’s. Apparently she loves it, she’s just back to doing what she likes which is dealing with people. She’d just had enough...”*

6.1.5. Top-down communication

Weekly phone calls were Doug’s primary instrument of command and control, wherein he would run through a list of items covering commercial and operational matters. Typically he would want to know “your plan” and whether you have “actioned” various priorities as defined by him. Small talk was rarely indulged, and conversations were always mono-directional. Finite details were discussed but guiding assumptions were never open to debate.

Doug’s other primary instruments were store visits and emails. The former mirrored the format of the weekly telephone exchanges, either through shop-floor “walk-and-talks” or sit-down performance reviews if the store manager was present. The frequency of store visits was roughly proportionate to team esteem in Doug eyes, the less frequent the visits the better regarded the team were. To see Doug regularly was a warning indicator and FLSWs regarded it as such. Their standard response to a visit was *“Oh God Doug’s here”* or *“I really hope he doesn’t stay long.”*

Emails were the final element of Doug’s “three-line whip” and they acted as information disseminators and/or instruction summaries. Many were one-line reminders whereas others were pages long. Figure 20 is a typical example during a trade high point:⁹¹

⁹¹ Sent at the beginning of June, 2013.

Figure 20: A typical Doug overview and list of demands

"Evening all

A good start to the period last week as the region squeezed home by £669 on a target of £510k! Well-done to 11 stores who hit target.

Clearly it is pointless looking at like for like growth and transactions for the last week as the comparison with the bumper Jubilee week from last year is unfair. However, the next four weeks should provide all stores with the opportunity to grow on last year's numbers and provide a better overall picture. With the forecast set fair this week can everyone be ready to take advantage in the increase in footfall. Please look at the following.

1. All stores must have a big stack of Purple River SB right at the front. With just five days left [of the promotion] can everyone ensure customers are well aware that good NZ SB at £5.99 is very hard to find! Encourage them to stock up now. Same applies with Merchalago Reserva. Sell out of both lines.

2. Ensure you have a good stack of beer at the front e.g. Purugia. Please stock up on beers/tonics/waters etc.

3. This is the last week of the early summer flyer – push these deals before the new flyer next week.

4. Can all stores push the new online deal Product Recommendation Incentive; win as much cash as possible! Big City and Shepton are leading with 100 and 101 recommendations. All please hit 250.

5. Read the Mid-Summer Promotion bulletin. There are 2 more Saturday Tutorials on 15th & 29th June. Start recruiting now.

6. Equally recruit now for your Wine course w/c 17th June

7. Remember to fill in the feedback for each Saturday tutorial as per the memo last week. Only five stores did it last week which is a very poor return.

8. Sell through any Chateau Corsica NV at £12 you have left.

9. Keep pushing the Fine Wine buy 2 save £8 deals. After 2 months Jagged Hills and Shepton [stores] are growing the quickest at 80% and 30% LFL respectively.

Any questions call me. Thanks, Doug."

This email may seem perfectly reasonable, at least until the pressures of June are considered. Due to the factors described above it was perfectly possible that FLSWs would have felt too busy to read the email, let alone action its more burdensome instructions. A promotion bulletin alone runs 30-40 pages, so reading it may be the equivalent of half-a-day's work once the flow of commercial activities is taken into account. Recruiting for in-store events would also seem like a luxury when your only concern is to process customers as quickly as possible, so you can tend to other customers or matters. It is also worth noting the jumble of competing expectations in relation to service interactions. FLSWs are not simply expected to "grow on last year's numbers" but also: (1) sell out a range of products (that customers may not want); (2) convince customers to contribute to WC's website (by logging product recommendations); (3) highlight a number of offers before they expire; (4) sign customers up to multiple courses (which they may have no interest in attending) whilst also (5) delivering upon USP's and other sales/service "non-negotiables" not explicitly referred to. As stated above, the gap between expectations and feasibility formed much of the basis of FLSWs perception that management "don't have a clue."

That said, upon close inspection it was clear to me that RMs were aware of the gap between illusion and reality in WC stores. The clearest indication came during DM's regional tours, when RM's would put FLSWs under considerable pressure to create a temporary illusion of frontline health – knowing full well that stores would look exhausted and war torn otherwise. When discussing this with colleagues I used to draw upon an analogy derived from "*Mao: The Unknown Story*" (Chang & Halliday, 2005) to describe the farcical nature of masking reality to placate leaders. Apparently when Mao used to visit rural provinces during the deadly "great leap forward" famine, senior official would plant healthy imported crops along the parade route to create a fake chimera of the success Mao's "post-science" agricultural policies. Their own positions would be preserved and enhanced, whilst Mao would derive further justification to broaden and intensify his policies that were starving people *en masse*. RMs played a similar role in the resource-starvation of WC's frontline.

Section Two: The “Sharon Dilbert era” and the end of the Dan Mitchell era

Despite reassurances offered to investors in official publications, by FY2013 it was increasingly clear that DM’s growth model had ran out of steam. DM himself admitted to FLSWs that new store openings were the only authentic driver of revenue growth, and even their impact had become less emphatic as diminishing marginal returns took a toll. By then the company had a well-established footprint in areas with high concentrations of “typical WC customers” (i.e. middle-class professionals with high disposable incomes). This meant that estate expansion had either cannibalised pre-existing stores or had pushed the firm into increasingly sub-optimal areas.

In the meantime, like-for-like growth had spluttered to a halt and in many instances gone backwards. Evidence of this was not difficult to come by for FLSWs, as monthly targets drifted ever further away from plausibility. WC’s standard expectation of 10% growth per-store per-annum translated into an expectation of 1/3 sales growth every 25 months on a rolling basis. Whilst this may have been briefly possible in the immediate aftermath of the recession when socio-economic conditions were uniquely conducive to WCs mid-market growth, few outside management believed that this was sustainable. Once resource deprivation and the condition of older stores was also considered then these expectations bordered upon preposterous.

Whilst it is difficult to attribute to specific factors with precision, relative decline was fundamentally a case of competition becoming better from FY2011 whilst WC became worse. The company did retain a large cohort of loyal customers, mainly drawn from “baby boomer” demographics with very high disposable incomes. Footloose and “smart money” had begun to flee elsewhere though, sensing that the winds had changed in favour of old rivals with enhanced propositions. Either that or they were enticed away by the novelty of new entrants to the market, as discussed below.

WC's long-established USP of discounted bulk-buying had become widely imitated by FY2012/13 (e.g., Aldi, Tesco and Sainsbury's each offered discounted case buying and free home delivery). To make matters worse supermarkets grew increasingly fond of using branded wines as loss-leaders to drive footfall, much to the detriment of a specialist like WC that increasingly resembled a supermarket for wine – albeit, without the ability to offset losses via other product categories. A related challenge was posed when super-discounters like Aldi, Lidl and Costco flanked the “big four” by seasonally ranging wines with extraordinary price/quality trade-offs.⁹² Many became award winners, and broadsheet critics fawned over this exciting disruption to the status-quo. What made this trend especially significant is that it constituted a strategic foray into WC's stronghold of “quality-value.”

Whilst on one flank the supermarkets had undermined WC's USPs and taken the initiative in an intensifying price/product-quality war, on the other flank a flourishing boutique sector had muscled in on WC's service/customer experience USP.⁹³ A variety of factors including reduced high street rents and a backlash against corporate sterility underpinned the rejuvenation of “indies.” The best of this new generation would bring together boutique styling and an array of “alternative” wines. They would also exhibit a strong customer service proposition, typically driven by owner-managers with a passion for the product and a personal investment in nurturing customer relationships. Like-for-like prices tended to be 20-40% higher than WC's (based upon my own observations), but experiential factors seemed to justify a premium for certain segments of the market. Figure 21 below features an award-winning example of a new generation “indie” that opened in 2010, in direct competition with my home store.

Lastly, the growth of online retail furnished every “bricks-and-mortar” with enhanced competition. Whilst established specialist e-retailers like Laithwaites, Virgin Wines and The Wine Society did not leap forward during the time under discussion (according to industry consensus), a variety of new entrants did threaten to entice WC's customer base. For instance e-retail behemoth Amazon greatly expanded its presence in the wine

⁹² See for example Beckett, F. “Wine: why the cost-conscious should consider Costco,” *The Guardian*, 13th September 2014.

⁹³ See Atkins, T. “Memory Lane,” *The Guardian*, 3rd May 2009.

category, becoming a “go to” for WC’s own staff to snap up famous names on heavy discounts. Another upstart was “WebWines,” which quickly established itself as the sharpest e-operator on the block in the aftermath of its launch in 2008 (discussed further in the Part B).

Figure 21: Quality-orientated high street “indie”



6.2.1. Management’s response

As the market strode ahead WC’s management decided to stick to its guns and hold course with its strategy. Put simply they focused inwardly on cost reduction to sustain profitability, with a view to addressing the relative competitiveness of the customer offering. To this end a new HR Director was brought in with clear “*slash and burn*” mandate. The aftermath became known as “the Sharon Gilbert era”- shorthand for the high watermark of bleakness in WC that corresponded with her tenure.

Throughout this period long-standing customs and practices were scaled back, rationed and/or abandoned altogether. Some were of significant monetary value to FLSWs such as the restructuring of performance bonuses, and the removal of rights to take company vans home. The former reduced the bonus pot to such an extent that it became meaningless to FLSWs in monetary terms, despite management's proclamation that it led to a "better/fairer system." As for the removal of van rights, this axe fell indiscriminately and cost some FLSWs thousands per-year in additional fuel costs. As it happened one of Region X's most respected and experienced managers explained to me "I've just had a four grand pay cut."⁹⁴ He left the company soon after for that reason having served WC for more than a decade.

Another chip to fall was the staff Christmas party – the marquee event of the WC social calendar. It was the sole occasion where management "spoiled" FLSWs and brought the whole company together in one physical space. DM explained in a sombre email that the Christmas party had become "*too expensive*" and "*unsustainable*" in light of company expansion. By the time this announcement came FLSWs had already developed a "*what's next*" ... "*nothing's too sacred*" mind-set. In fact, what did come next was a sizeable reduction in the training budget despite management's claim in financial reports that *extra* investment was a factor in holding back profit growth.

In addition to scaling back on major budgetary items a new era of micro-managed cost-control was phased in. Henceforth *all* procurements would require RM approval including for items as trivial as toilet rolls, pens and paper. Another absurdity was that "direct orders" (merchandise supplied directly) would require RM *and* HQ sign-offs, which would only occur once FLSWs had provided proof of sale and/or "transaction history" to justify the expense. What this created was a *chicken and the egg* situation, where stores could not build up transaction history because they could not get stock, and could not get stock because they could not build up transaction history. Consequently, by summer 2013 WC stores had empty spirit shelves which FLSWs had to pad out with the little stock they had. If customers wanted to bulk-buy spirits they would have to pay in advance and wait for delivery, which was hardly an enticing prospect when supermarkets had full shelves of cheaper merchandise.

⁹⁴ Including bonus changes.

The problems with the spirit shelves were mirrored throughout many sections of the store that summer. FLSWs would have to work hard to create the illusion of healthy/normal stock levels, usually by propping up retail “shelves” with commercial stock (i.e. wines sold to trade customers) usually held backstage. In years gone by the challenge was fitting in the bustling excess, whereas by 2013 the challenge was to mask the lack of stock to maintain “store standards.”

As perks and incentives were withdrawn and dysfunction escalated, FLSW nonetheless intensified as RMs became ever more vigilant on staff budgets. Cover proliferated, as did the much-despised practice of leaving stores “on one” for prolonged periods (discussed above). In the meantime, a variety of new requirements were added to the workload including additional expectations to host events (as mentioned in Doug’s email) and to generate sales via low-cost social media instruments like Twitter.

Try as they might it become increasingly difficult for FLSWs to paper over the cracks and facilitate pleasant customer experiences. As much as many FLSWs enjoyed the sale/customer service side of their role, the marginal cost of personalised “quality” service had increased as human resources grew scarce. Merchandising standards slipped because of time pressure, whilst the price/quality proposition worsened as WC passed on a greater proportion of cost increases to customers than the competition did. Management also delisted many old favourites with low margins, alienating customers further.

Relative decline did not escape the attention of some industry watchers, as was encapsulated in an article I stumbled across around the time. A leading broadsheet newspaper⁹⁵ ran a series of “Face Offs” between retailers, where like-for-like comparison would be made between rivals’ stores on the same high street. The investigator would then declare a winner based upon the overall offering of each. In this particular “Face-Off” WC would be pitched against old foe Oddbins, which had risen from the ashes as a scaled-down operation under new ownership. The comparison was intriguing because WC’s ascent had mirrored and partly caused Oddbin’s decline years

⁹⁵ Article, national broadsheet, 2012.

earlier. The contrast validated aspects of my analysis so far through the eyes of “typical customer.”

***First Impressions** [of WC] An unattractive warehouse ... fronted by a car park peppered with red Biffa bins and discarded trolleys. Inside, the giant space is full of boxes topped with price information. But it's confusing: not knowing the minimum purchase on wine is six bottles – of any kind, not just the same brand – I assumed every price sign that clearly read “one bottle, £7.99” meant you could buy a single bottle at that price. Silly me. When I went to the till clutching a bargain bottle of claret I was quickly turned away with a curt “six is the minimum,” and I felt a bit stupid. The pricing is doubly confusing with many deal stating: “buy two bottles and save £10.” Maybe I should have known about WC's pricing ... but I found the whole thing irritating.*

***What were the staff like?** Two men resplendent [in branded] polo shirts were busy moving boxes of wine about ... They were reasonably helpful when I asked a question, but considering I was the only customer in the warehouse and was clearly confused, I should have received better service.*

Setting aside the quagmire of WC's price mechanics, I agree that the service should have been better yet empathise with the FLSWs having given similarly perfunctory service *by necessity* on countless occasions. What is beyond the customer's comprehension is the compromising array of operational pressures and cost-driven constraints that alienate staff from their primary duty of selling wine and providing service. To be on the WC frontline around that time was to be stuck between a rock and a hard place, with the perverse effect of minimising the perceived value of individual customers. Customers did not know this and could understandably misattribute poor performance to individual FLSWs rather than the forces and factors

hidden from view. By way of contrast in Oddbins “*the man was ... polite, knowledgeable and helpful*” and overall it “*won hands down.*”

As competitive clouds gathered over WC the organisation further tarnished its image when it became embroiled in scandal that strongly implied “race to the bottom” management. It emerged in 2014 that the company was subjecting suppliers to intense cost-related pressures by demanding special terms that well overshoot conventional rules of engagement. At the heart of the matter was an attempt by WC’s Board to get suppliers to “stump up the cash”⁹⁶ for a new national distribution centre which soured relations considerably. Put plainly the firm used “bullying tactics”⁹⁷ to get suppliers to subsidise capital expenditure. This manoeuvre garnered national press attention and lumped WC in with a bunch of other abusers who were exposed around the same time included Tesco,⁹⁸ DM’s template for success.

In Spring 2015 the unthinkable happened and “Mr. WC” was ousted after serving WC for 29 years. Financial markets seemed to have been unaware or indifferent to the internal deterioration in WC’s performance I have described here, but they did take notice of a profit warning that was issued towards the end of FY2015. By then DM had run out of options, there were no costs left to squeeze and the organisation was haemorrhaging customers. The disgruntled emailer (Figure 15) was proven right in my view that “*there is no longevity beyond sheer exploitation in this model.*” The Chairman’s one and only public statement concerning DM’s departure was to say “*I believe we can do better.*”

Section Three: Discussion – the Dan Mitchell era

Having been on the frontline of WC throughout this period, I know that the big picture of top-down control and under-investment did not have unmitigated effects on FLSW

⁹⁶ Quote from article in national broadsheet, 2015.

⁹⁷ Taken from an analysis of the unsustainability of large retailers’ treatment of suppliers in a national broadsheet, 2015. It featured WC as an example of myopic practice.

⁹⁸ Media reports proliferated concerning Tesco’s aggressive behaviour towards suppliers circa-2013/14. See for example Butler, S. “Tesco delayed payments to suppliers to boost profits, watchdog finds.” *The Guardian*, 26th January 2016.

actors' experience. Some elements of the work continued to be a source of joy and some days, weeks and months were better than others for FLSWs. A significant proportion of customers may have also remained largely oblivious to the deterioration I have described, even as a great many others "spoke with their feet" and took their custom elsewhere. It is valid to say that different types of FLSW actor responded differently to the processes under review (see Chapters Seven and Eight for elaboration), even if the effect was relatively clear cut at the aggregate level.

The majority of FLSWs that I worked with throughout the period gave far more to WC than management deserved in my view, even as they felt progressively unable to do so as "the Sharon Dilbert era" cut deeply into the fabric of the WC negotiated order. Being "treated like monkeys" and drilled via direct control was one thing but to assault extrinsic rewards was quite another. Even diehard "bleed blues" began to seek sanctuary outside the company in 2013, as the effort bargain grew ever more insufferable and management grew ever more delusional.

The "crisis" of WC was a complicated one in which the term "crisis" itself had to be understood in a relative contextual sense. It was not a crisis of deep financial losses or *chronic* mismanagement but was rather, a crisis of squandered opportunity and organisational inertia. In the first few years of the 2010s WC emerged as the shining star of a decimated industry, occupying a sweet spot between the drab complacency of the "big four" and elite merchants. In the absence of strong mid-market competition WC appeared to be "best of both worlds," with a price-quality-service proposition fine-tuned to exploit the weaknesses of polarised competitors as summarised in the previous chapter.

What the "crisis" of WC really referred to was the speed at which "best of both worlds" became displaced by a new reality of "stuck in the middle" between competitors on both flanks with better trade-offs. The same argument was actually levelled at Tesco around that time,⁹⁹ and similarities between the two are not surprising given that one

⁹⁹ See "Stuck in the middle: Tesco is trading in difficult markets. That is just part of its problems," *The Economist*, 7th December 2013.

consciously imitated the other. In 2016 a well-respected analyst explicitly drew these parallels between the organisations,¹⁰⁰ arguing that in essence they were “different dogs with the same fleas.”

The speed with which WC lost its shine must be understood as an unfavourable alignment of internal and external forces and factors. These contrasted markedly with years earlier when synergies between strategy, tactics, market forces and positive PR all aligned in the organisation’s favour. As the tide of external factors turned away from WC from FY2012 onwards its management opted to turn its guns on FLSWs and suppliers, with a view to defending margins. Both were pushed to breaking point and frustration grew at the sense of blood being squeezed from a stone. The actuality helped competition by undermining WC’s USPs and damaging its public image.

The counter-productive and self-destructive nature of management’s behaviour was painfully obvious to FLSWs who dealt with its effects daily. This poses a question of why management failed to see what FLSWs could, and did not alter course accordingly? A simple explanation may be that FLSWs were to some extent right that “*management haven’t got a clue*,” having lost their grasp of reality through processes that compounded wilful ignorance. The role of RMs was important in this regard as they acted as a vanguard in falsifying a picture of frontline health, although management set the stage for their behaviour.

Another logical explanation for management’s holding course related to WC’s history and its growth model since inception. Up until the second half of DM’s tenure the “WC way” had been to deliver organic growth via quality/service-centric USPs, footprint expansion and marginal gains through economies-of-scale. Fundamental deviation from this model – even as it began to fail and falter - would have been seen as risky due to the costs and complications involved as well as fear of the unknown. It is worth remembering that the business model was originally conceived as an ostensibly contradictory web of interconnected elements (see Chapter Five) that would come together to better satisfy a market niche. The resulting interdependence of systems,

¹⁰⁰ Article, national broadsheet, 2016.

structures and human resources constrained disentanglement for the purpose of strategic change. Moreover, if this were the agenda (as conceived by controlling interests when JS retired) then DM would have been a poor selection of CEO. He was after all “Mr WC,” the human embodiment of the “WC way.”

Whilst these explanations are useful in explaining why management held course, they are less useful in explaining the profound shift in emphasis towards short-term profitability. The most credible explanation for this in my view relates to two intersecting factors: the nature of executive’s performance incentives and the forcefulness of “the market” as a driving factor. Starting with the former, management’s remuneration package was explicitly designed to align executives’ interests with those of the market. The primary mechanism in this regarded was a system of extraordinary bonuses that increased in proportion to increases in “shareholder value.” The more the share price went up the greater the financial rewards on offer to management - thereby proving a strong incentive to prioritise short-term “value” at the expense of long-term stakeholder equity (Chang, 2011). In the three-year period to FY2012 DM’s performance bonus totalled £672,000 (excluding other benefits and share options), roughly equivalent to 40 years of full-time trainee labour at 2018 costs. Whilst financial inducement on this scale may not have swayed conservative “old boy” JS, few doubted the effect it had upon “butcher’s son” DM.¹⁰¹

Complementing this was the power exerted by the market itself, a force and factor that had grown in significance as WC grew in stature. From the market bottom in 2008 through to 2013, WC had proven highly profitable for investors with a fivefold increase in its share price. Rather than moderating expectations, rapid price appreciation tends to be both a cause and a consequence of “backing the winners” logic, which stokes rather than diminishes speculation in a self-reinforcing spiral. The pressure upon management to “keep the ball rolling” would have been considerable, constraining its capacity to take long-sighted actions that risk bursting the bubble.

Without consideration of these conflicts *and* alignments of interests between the market, management, FLSWs and other stakeholders it is difficult to rationally explain the specifics of management’s deployment of agency throughout the period. Whilst a

¹⁰¹ DM frequently indulged his “rags to riches” story.

“structural antagonism” and market factors provided the conditions for the processes described above, it was the elevation of “Mr WC” to CEO that catalysed the particular use and misuse of executive power. DM had the ability and willingness to act as a steroidal force in the pursuit of short term profit. He also had a rarefied degree of patriarchal authority to pacify, marginalise and/or remove internal forces opposed to his agenda.

The experience of FLSW in WC during the DM era was shaped by forces and factors beyond their view and out of their control *in the first instance*. It was not driven by mechanical bureaucracy nor homo economicus *per se* but rather by *people* with specific strengths, weaknesses, opportunities and constraints. The axial relationship between management and labour dominated FLSW’s experience even if it did not entirely *determine* it. A range of other factors came into play and these will be explored in further chapters.

PART B: BACK TO THE FUTURE

After six years working for WC I could be forgiven for thinking that the past would be the best predictor of the future. As it transpired the next stage in the company's history would challenge my assumptions over the inevitability of continuity, only to then underline deeper beliefs over the improbability of positive change. Chapter Six Part B tells the story of an organisation that tries to reinvigorate itself after a sustained period of going sideways in terms of profit and backwards in terms of revenue, competitiveness and stakeholder relations. It does this by removing its seemingly unassailable figurehead Dan Mitchell (DM) and installing industry CEO *de jour* Lyle Fisher (henceforth LF). LF came as part-and-parcel of the acquisition of WebWines, which then became a division of WC. WC took ownership of WebWines but the management takeover flowed in the other direction.

The bulk of the data presented below seeks to clarify how the new regime tried and failed to set WC on a sustainable “stakeholder growth” trajectory modelled on WebWines’ approach. It will be argued that their failure was due to a culmination of factors which meant that they found themselves operating on “borrowed time.” When time ran out LF took WC “back to the future” by combining DM-esque slash-and-burn tactics with an ever-evolving web of technocratic substitutes for traditional line management. These were sold as mechanisms in service of FLSW “freedom” and “meritocracy,” but they actually served management’s control agenda whilst obscured a new reality of “*you’re on your own.*” What “freedom” really meant in “WC 2.1” was freedom from *help, support* and *active leadership* from the “post-ironically” (see Cremin, 2003) renamed “Support Centre” (formally known as head office). In turn meritocracy really meant that FLSWs had the opportunity to win a metaphorical “Rudis”¹⁰² provided that they prove their ability to consistently exceed a raft of new KPIs “autonomously.” Taken together these policies introduced a disorientating process whereby management retreated from the frontline whilst attempting to control it more systemically than ever before.

¹⁰² My interpretation. A Rudis is a sword received by a gladiator in Roman antiquity – proof that they had earned their freedom.

The discussion commences with an overview of the formation of “WC 2.0” – the chosen designation of new management to demark past from present. The stories of LF and WebWines will be outlined in order to illuminate the nature of the takeover, after which point the remainder of Part B splits into two parts. The first part chronicles the growth phase of the new regime’s tenure, during which time considerable resources were staked on an attempt to return WC to an upward trajectory. The second part outlines the fall-out from management’s failure to deliver proportionate growth and the control cycle (“WC 2.1”) that followed.

Section Four: The formation “Wine Corp 2.0”

The year between spring 2014 and 2015 was the longest period I had spent outside WC since beginning employment in 2009. During this period I also relocated to another part of the country so temporarily lost touch with colleagues. It was against this backdrop that I found myself in a state of disbelief when I eventually caught up on events. I recall saying to a colleague “you’re winding me up” and ...“*seriously!?*” when he mentioned that “Dan’s gone!” This turned out to be the tip of the iceberg as he went onto explain “we’ve bought a company called WebWines for £70 million ... and their CEO’s now our CEO.”

By the time this conversation took place LF had been in place for a few months and had made a “good start” by all accounts. To this end one of his first acts was to remove the much reviled Sharon Dilbert from her position as HR Director. An email went out immediately after saying that whilst “some changes would take time others were immediately necessary” for the organisation to move forward. Asides from a few other largely symbolic measures (such as the introduction of “free lunch Friday’s”) there was little change in the transition period. In communiqués LF stated that the plan was to “*come up with a plan*” and to build a top team to implement it. The only point of strategic clarity early on was that the target of 330 stores would be abandoned. The new regime would focus on fixing the pre-existing estate.

Shifts in tone and emphasis helped LF to receive a warm welcome from WC's FLSWs. His stump speeches and press interviews were filled with optimism and positivity, which contrasted markedly to the dreary tones of the old regime. Whether consciously or otherwise LF presented himself as both the antithesis and antidote of prior management which proved music to the ears of FLSWs, who had been dragged to the brink of despair by DM and company. LF did not withhold direct criticism of the old regime either, going so far as to adopt FLSWs' own lexicon to iterate bad practices and flawed philosophy. For example, he described FLSWs as being "treated like monkeys" by deposed management in mainstream press. This was a long-standing complaint amongst FLSWs themselves.

6.4.1. Diagnosing the problem

As the discussion so far implies the stranglehold of the old regime over the health and welfare of the organisation had set the stage for a boardroom coup. So much had been appropriated during the DM era that few FLSWs feared things getting worse. Early symbolic gestures seemed to validate tentative optimism because they expressed tacit recognition of what was broken and how it needed to be fixed.

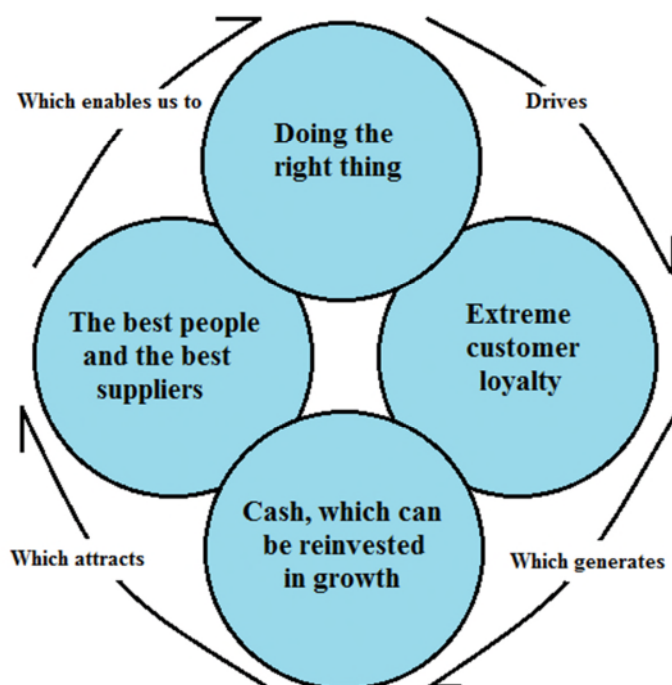
LF's assessment of the retail estate ran in parallel to the analysis in the preceding chapter. In the first instance he was acutely aware of the shabby and neglected state of the company's retail units, a result of the old regime's excessive of focus on new stores at the expense of old ones. The latter were being milked to fund expansion, even though the return-on-investment grew ever smaller as WC pushed further into marginal territory. In the second instance LF grasped that the old regime's approach underpinned a poverty-cycle within heartland stores. This operated as follows: the struggle to stay still (with ever diminishing resources) would reduce FLSW morale and generate turnover which negatively impacted sales. Reduced sales would then be used to justify resource cuts that would further damage morale, turnover and sales in a self-reinforcing death spiral. Lastly, LF could see the obvious that operational matters such as "loading stock at the expense of serving customers"¹⁰³ were greatly undermining the customer experience by compromising FLSWs. The new CEO rightly argued that this was one of

¹⁰³ Article, national broadsheet, 2017.

the chief factors “intimidating customers” alongside convoluted prices and the use of trade restrictions (e.g., the requirement to buy by the case).

Perhaps more important than his diagnoses of any given afflictions was his recognition of the root cause though – that being, doing the wrong thing by stakeholders *other than shareholders*. Whereas “old WC” had become adversarial and antagonistic *vis-à-vis* suppliers and FLSWs (see Part A), new WC would be committed to “sustainable” stakeholder values as a means of achieving long-term shareholder value. According to the new management’s rhetoric this would mean nurturing rather than neglecting; collaborating rather than commanding, and investing rather than depleting. Henceforth the order of business would be to sacrifice short-term for the long-term by “*doing the right thing*,” up unto a point at which sustainable growth became a life-affirming spiral of positivity. The logic model of “WC 2.0” is set out in Figure 22.¹⁰⁴

Figure 22: “Wine Corp 2.0” logic model¹⁰⁵



¹⁰⁴ AR-FY2016.

¹⁰⁵ Featured in AR-FY2015.

6.4.2. New leadership

In terms of presentation of self, career trajectory and leadership style LF could have barely been more different from DM. Whereas the latter forcefully advocated “professional” comportment, LF had the rough demeanour of an early retiree running a hobby business. Much to the delight of HQ staff he disbanded the dress code upon arrival and advocated a “*be yourself*” neo-normative aesthetic (see Warhurst & Nickson, 2007; Fleming & Sturdy, 2009 – Chapter Three). As comments below make clear LF believed that it is what you *do* that counts.

LF started his career as a chartered accountant before moving into private equity, which appeared to be an incongruent start for a man more flip-flops than brogues. Indeed, one of Lyle’s more refreshing qualities compared to DM was his humble reflexivity and self-acknowledged imperfection. Some of these characteristics are apparent in the following Virtual Post-box¹⁰⁶ (VPB) Q&A between himself and an anonymous FLSW. The former is defending his decision to call a newly issued code of conduct “*A guide to how not to be an idiot.*”

What’s on your mind?

Staff: “*How not to be an idiot??? How about, how to protect yourself and the company?*”

L.F: “*Your CEO doesn’t call you anything of the sort. I am baffled at how ‘how NOT to be an idiot’ can be read as ‘you are an idiot.’ We, including me, are all idiots from time to time. As to whether that is professional or not...what you call things doesn’t make you professional. What you DO is what’s important...*”

The significance of this exchange relates more to its form and the fact that it happened rather than its content. Under DM top management did not engage with FLSWs as *people*, and certainly did not facilitate or indulge dissent. It kept itself at an emotional and professional distance, perhaps making it easier for them to overlook the real-world

¹⁰⁶ A month long opportunity for FLSWs to air grievances in an open intranet forum.

effects of their policies in later years.¹⁰⁷ In contrast LF wanted to present himself as a General who is close to his troops and unafraid of a little dissension in the ranks.

By his own account there were two career defining moments that projected LF away from middle management and into a life of “serial entrepreneur.”¹⁰⁸ The first was his recruitment into a corporation owned and controlled by Rex Whittingdale, one of Britain’s most famous entrepreneurs. Whilst working for Rex LF conceived of “Maverick Money,” apparently convincing the tycoon that “*no one trusts banks but everyone trusts Maverick.*” Success here led to his next venture which was the development of “Maverick Wines” – a direct order retailer that would use Maverick’s brand power to challenge the sterile dominance of the “big four.”

Under LF’s leadership Maverick Wines proved sufficiently disruptive to justify its purchase by the dominant player in the direct order sub-sector. This precipitously bought LF to his second career defining moment, which was being fired soon after the acquisition’s completion. He described the occasion as follows:

“After I got fired, I walked out and they’d turned my phone off so I had to go and buy another phone. I called the office and they said it was crawling with lawyers. I had a list of people and I told those on it not to sign anything.

I made another phone call to someone who said they would like to invest in a wine company. Within 15 minutes of being fired, we had the money and the people to start up a business again.”¹⁰⁹

These events transpired in 2008 and WebWines was the resultant creation. It would be a new kind of wine business according to the prospectus, one based upon “sustainable” fair trade between producers and customers. Its main innovation was “crowdfunding,” which basically referred to an arrangement whereby customers would support

¹⁰⁷ Drawing on Kafka, McCabe (2015) highlighted the destructive effect of distance in terms of managements’ neglect of workers.

¹⁰⁸ Press interview, 2015.

¹⁰⁹ Press interview, 2015.

independent winemakers in exchange for “exclusive access to delicious wines at preferential prices.”¹¹⁰ These crowd funders, or “heroes,” would pay a monthly subscription in exchange for said benefits whilst providing WebWines with the cash flow needed to expand the model further. The supposed symbiosis is summarised as follows:

“The whole premise of WebWines is that you are joining a community and benefiting from the recommendations and experiences of fellow consumers... We give talented winemakers the freedom and time to make wines that inspire, supported by a community of passionate wine drinkers, which results in a virtuous circle where everyone is better off.”¹¹¹

As is evident in these remarks WebWines was conceived as a niche operator with an emphasis upon “everybody wins” sustainability. It acted as a middle-man facilitator and platform, one that cuts out all of the other middle men (wholesalers, distributors, sales agents) and redistributes value amongst “partners.” The concept as described proved successful in attaining “customer loyalty” in the following years. By 2015 WebWines had grown sales to £80million primarily through its 300,000+ “heroes.” It was lauded as the best of a new generation of wine “e-tailers,” making it an attractive buy-out target for a traditional “bricks-and-mortar” with stalled growth.

WC’s acquisition of WebWines thus coincided with ousting of DM and the coronation of LF as CEO of the combined concern. A £50m cash price was agreed with further £20m in ordinary shares available to LF as a “performance consideration” over the following four years. The exact formulation of this incentive scheme is not specified publically but the essence of it is straightforward. It would be made available in three tranches over four years, with tranches one and two released in relation to WebWines’s ROI targets and tranche three released in relation to “EBITDA”¹¹² targets for the group (see Figure 23). Its express purpose was to channel LF’s energies towards growth in

¹¹⁰ AR-FY2016.


¹¹¹ Company website.

¹¹² Earnings before interest, taxes, depreciation and amortisation.

“long-term shareholder value” according to press releases, meaning that *long-term* is technically defined as *four years*. This then would be the turnaround window for the pre-buy out WC retail business (henceforth WCR).

Figure 23: Lyle Fisher’s performance consideration

	2016	2017	2018	2019
Consideration		<u>2.35m</u> ordinary shares	<u>2.35m</u> ordinary shares	<u>1.7m</u> ordinary shares
Primary performance criteria		WebWines ROI	WebWines ROI	Group EBITDA



 [One year roll-over if 75% ROI and
 "minimum investment targets" are
 not achieved]

Section Five: Waging war

6.5.1. Year zero of the new regime

With a view to what was happening at HQ it was not entirely surprising that major changes failed to materialise on the frontline in year zero. The company had recently moved its command centre to a larger site near the old one. It was an old regime initiative that coincided with lease expiration, which partly explained why the move did not happen sooner. The other reason was that the old site dually functioned as the administrative and distribution centres so upscaling would involve taking on the cost of separate larger sites.

Nonetheless, the scaling-up of central premises neatly preceded the acquisition of WebWines and the reverse management takeover as described above. This would be of considerable benefit to the new regime because it could mould the facilities according to its vision. Along these lines LF’s immediately began to turn the space into a cliché “creative” work environment, with pool tables symbolising a new “slacker-cool”/“fun at work” ethos (Fleming & Spicer, 2008). Some other features of new-HQ life were so out of lockstep with frugal WC traditions that I could not believe it when I first heard about them. The following examples were revealed through shop floor conversations:

Me: [having read the announcement of “good news” in an internal PR statement] *“what’s all this about ‘ringing the bell’?”*

Colleague: *“Haven’t you heard about that? Every time they achieve something at Head Office they wheel out a big bell and ring it. Then they open a load of Champagne and everybody has a glass. That’s what they mean by ringing the bell.”*

As someone who can be gullible I insisted that my colleague prove his claim. After a few minutes of playing around on the store computer he produced a verifying picture of a large bell encased in a custom-built stand. Another example stemmed from a titbit arising in the VPB:

Me: [speaking to a colleague] *“I don’t understand what this person (anonymous dissenter) is complaining about in terms of the food at Head Office.”*

Colleague: *“Well all the food and drink is paid for at Head Office, so nobody has to bring in their own stuff.”*

Me: *“Seriously...!?”*

Colleague: *“It’s not rubbish either, it’s loads of fresh stuff ... the fridges are packed with all those Italian meats and all sorts.”*

Again, as a child of the old regime the sudden largess was disorientating. Easement of the Sharon Dilbert-era cost-slasher tyranny was warmly welcomed by all, but a swing of the pendulum towards cost indifference seemed to pose new problems for those with a

grasp of business basics. Still, with the HQ party getting into full swing the other substantial change was “out with the old and in with the new.” Sharon Dilbert aside most of DM’s top lieutenants were left in place initially then removed several months later, with generous severances packages and non-disclosure agreements. In relation the store-level rumour mill was in full swing with stratospheric pay-offs allegedly having been handed out to “big men” of the old regime. The credibility of some of these was dubious but the AR-FY16 does state severance costs of £1.0m. Combined with DM’s £0.7m exit package the new regime spent a minimum of £1.7m removing senior officials in year zero alone.

Replacements would apparently be needed, and the man brought into command WCR was Tim Stapleton. Tim had over 20 years’ industry experience with “big-box” retailers. His job would be to develop and deliver “the plan” which was conspicuous in its absence up until that point. Before Tim’s arrival and more so after, another remarkable trend at HQ was filling the newly enlarged space with what David Graeber would call “bullshit jobs.”¹¹³ New roles included a “Transformation Director,” a “Director of Store Development,” a “Group Partnerships Director,” a “Customer Director,” a “Central Operations Manager, new “Divisional Directors,” as well as an assortment of imaginatively titled roles. This was no mere rebranding exercise as many of these posts were *additional* to traditional line roles. I recall colleagues asking “*how much money do we have to take to pay for all these new jobs?*” Such incredulity is evident in the following VPB question:

“Another career opportunities e-mail sent around last week, yet more new positions being created at [HQ] adding more to the wage bill ... are all these new positions 100% needed? It seems we’re creating more new jobs ... than we can buy desks for people to sit on.”

FLSWs were right to be concerned about the accumulating cost of roles with questionable value, bearing in mind that WCR had somehow managed without them in the past. As an indicator, it was announced in AR-FY2016 that the total cost of the

¹¹³ Interview, *The Guardian*, 21/03/15.

“corporate team” had risen from £1.2m to £2.3m. This was then dwarfed by increases to £4.2m in FY2017 and £7.2m in FY18. Thus, the cost of corporate management grew by 500% in three years! Although few FLSWs are likely to have read the annual reports to ascertain these numbers there was a keen sense that HQ was costing us a great deal more than it did under the old regime. Given the context it seemed fair to expect dramatic improvements in the quality of HQ output as a result. In year zero too little trickled down to provide reliable indication, so the real test would be Christmas 2015 and beyond.

The capacity of a seasonal retailer to successfully navigate “peak” is taken as a critical barometer of its health. Peak for WC refers to Christmas, a period during which roughly one-third of annual sales boil down to the 4-6 week “party season.” Such is its significance that planning and strategizing typically begins six months in advance for a high street retailer. Given the churn and change at WC’s HQ though it was reasonable to believe that it would have been behind the curve. Top management were after all preoccupied with rebuilding WC from the centre outwards with a vision for on long-term transformation.

That being said, peak also represented an opportunity for a PR coup if fledgling management could deliver unexpected sales growth. Ultimately the prospect proved too tempting to resist and in an attempt to “win Christmas” (albeit with the same basic proposition that failed in years prior), management adopted a strategy of reduced profits to enhance competitiveness. In practical terms this meant lowering prices and bombarding past/present customers with discount vouchers to “create buzz.”¹¹⁴ Management’s other noteworthy Christmas sales driver was the “quick fix,” which basically referred to small cosmetic make-over of stores appearance (see Figures 24 & 25). As a result WCR was able to announce a 7% sales boost which LF summed up as follows:¹¹⁵

“This is an encouraging result. I am particularly heartened to see the WC retail business grew as the impact of our better

¹¹⁴ “WC 2.0” management regularly spoke of the need to create “buzz.”

¹¹⁵ Article, national broadsheet, 2016.

pricing, better service and better-looking stores start to take effect. However, there is still much to do.”

LF did concede that “costs rose and margin narrowed slightly” yet the investment markets seemed happy to focus on top-line performance. The company’s share price rose 10% upon the trading update.

Figure 24: “Quick fix” (a) - presentational cages



Figure 25: “Quick fix” (b) - barrels and fins



6.5.2. Year two of the new regime: “The plan”

The specifics of “the plan”¹¹⁶ were a seemingly common-sense mix of measures to enhance relative strengths whilst tackling weaknesses, so as to pursue a new goal of growing overall group sales to £500m p.a. It was interesting to note that profit was temporarily side-lined as a primary objective, underlining the new regime’s willingness to throw money at the challenges confronting it. If “phoney war” serves as apt analogy for year zero (i.e., lots of bluster and little happening on the frontline) then “blitzkrieg” is equally apt for the second year. Once the broad strokes were settled upon management began to fire endless salvos at FLSWs and customers alike. The most prominent feature of “the plan” (as with peak-2015) was to flood the market with discount vouchers in an attempt to boost sales. Initially these were distributed “scattergun” via traditional channels (i.e. mail shots) but more recently there has been a push towards “email capture” and social media distribution.

An overlapping initiative was to launch partnerships with other service providers,¹¹⁷ where our FLSWs would give out vouchers to cross-promote non-competing brands and vice-versa. Another type of partnership was the free giveaway, where WC would facilitate an incentive to buy partner products (e.g., a gift voucher if they buy X brand’s washing machine) in exchange for WC brand awareness.¹¹⁸ Conventional marketing mechanisms such as these were complemented by some eccentric ploys to increase footfall and sales. A memorable example was the joker card initiative, where HQ mailed a cohort of WC customers a literal joker card. If they presented it in store then they would be entitled to try any wine (to the value of £20) with no obligation to buy. The few who activated their entitlement seemed as bemused as FLSWs by the idea.

This barrage of “exciting” reasons to visit stores was mirrored by frenetic activity in-store to “wow” customers upon arrival. Every week during summer 2016 an elaborate package of marketing materials would arrive to coincide with ceaseless promotions. These packages featured posters and bespoke features for what I came to call “gimmick

¹¹⁶ A comprehensive overview features in the Appendix, Section 2.

¹¹⁷ By summer 2018 there were 26 active partnerships.

¹¹⁸ The financial specifics of these arrangements are not in the public domain.

of the week,” in mockery of management’s hyper-active attempt to generate “buzz.” It is difficult to generalise over other FLSWs’ interpretation but the common position was that management were trying to do “*too much too fast*” and/or “*had to learn to walk before they can run.*” Others took a more sympathetic view, arguing that “*at least they’re trying to do something.*” Most however felt that too few of these initiatives appeared to justify their high cumulative costs as one interviewee remarked:

“I think sometimes because we’ve rushed into some of the changes we’ve thrown money at things ... and then actually two months down the line we’ve realised they really don’t work and ... how much money we’re thrown in the bin, that kind of scares me a little bit.”

Vouchers: a closer look

WC’s FLSWs accept that discount vouchers boost short-term revenue but their practicality and long-term effects are disputed. Once vouchers became omnipresent many customers became reluctant to shop until they had one, meaning that sales would peak and trough with voucher issuances. This represents an obvious problem (albeit one management somehow overlooked) for a lean staffing/high service model which works best when customers come in a steady flow. Another issue was that savvy customers would build up voucher collections and then deploy them in an attempt to game the system. One classic manoeuvre is to pressure FLSWs to allow them to subdivide overall transactions (e.g., 24 bottles) into smaller transactions (4 lots of 6) and use a voucher with each. The idea is that customers can thereby circumvent the one-voucher-per-transaction rule whilst price-optimising via the “mixed six discount” mechanism. Another scam is to re-use the same voucher over and over again because customers soon realised that codes were not unique. On this basis discount codes began to appear on websites dedicated to disseminating them across unentitled masses. These systemic weaknesses became a central component of FLSWs operational/commercial struggle.

They each had to choose between playing detective (in order to prevent “cheats”) or waving them through (in order to prevent discomfort and conflict).

Of course, there is a more fundamental issue with vouchers - the effect on profitability. When customers use vouchers they often clear the threshold by as little as possible. Thus, if the spend threshold is £100 they will spend just over to given themselves an optimal percentage discount. If they take advantage of other price mechanics at the same time then sales can become profitless for WC. Ironically, it is WC’s most “loyal” customers who are the best at gaming the system meaning that management have turned some of their most reliable profit-generators into loss-leaders.

Whilst management spent millions on discounting they exhibited much less zeal in relation to FLSW’s chief concerns. Summer 2016 was as generously staffed as anyone could remember on the frontline, yet the bugbears of lone working and cover remained steadfast. Nothing meaningful came down the line to address long anti-social hours either, and management were neither speaking nor listening on these key topics. What made the silence altogether more deafening was the sheer volume of “communication” on matters other than those FLSWs really cared about. Vouchers aside the single most prominent feature of “the plan” was the sheer volume of HQ’s “engagement.” The longstanding weekly memo was abandoned as too passé, and in its place came the “Huddle” video-memo that lasted about fifteen minutes per episode. Its themes were reinforced in a quarterly in-house magazine called “Our Wine Corp,” as well as a swathe of “fun” G+¹¹⁹ virtual communities that FLSWs were pushed to participate in.

Webstore and peak-2016

Webstore was rolled out with the intension of streamlining online orders within stores. As mentioned in Chapter Five, within the traditional system web orders were routed to local store teams who would manually input them into EPOS. In contrast, the

¹¹⁹ Google’s social networking platform.

distinguishing feature of Webstore was that it removed the need to manually execute orders through the tills. Management calculated that the old processing method cost the company 10,000 work days (50 days per-store on average). This seems like an exaggeration but the old system was certainly resource intensive.

Regardless, the significance of Webstore was that it served as much more than a mere streamlining exercise. A profound implication was that it marked a shift to direct order dispatch by the new national fulfilment centre (NFC), creating an alternate home delivery system that bypassed stores altogether. If customers opted for “next day”/“name day” delivery or if they ordered products unavailable locally, then they would be automatically routed to the NFC and handled by an external courier. A fundamental change like this may have caused only minor disruption if management rolled it out “off-peak” with clear signposting of the implications. As it happened, management rolled it out at the start of peak with only two weeks trialling.

Before taking annual leave late in the year I had heard rumours of staffing shortfalls for Christmas, and joked with colleagues about the inevitability of whose lap it would fall into (meaning my own). Sure enough, the phone call came from Doug Slazenger who requested that I “do a few days in Greenbush” over Christmas. Upon arrival it became apparent that “a few days” actually meant the whole of the Christmas period. Being transferred to a comparatively inexperienced/under-staffed team was inevitably going to mean more work and pressure for the same pay. In this situation the assistant manager became the manager, I would be acting manager and I would be cast as acting assistant manager and the remainder of the team was a trainee with six months’ experience and two temporary drivers. Fortunately the trainee was an above average performer whereas the temps seemed to hinder more than help.

With three weeks to go until Christmas Greenbush was depressingly below minimum standards. Given its general condition it made sense for me to focus on store standards and service, freeing my full-time colleagues to focus on Webstore and managing the temps. The unforeseeable consequence was that I ended up running the store pretty

much by myself because Webstore churned up chaos and confusion to the point at which my colleagues would have to spend days trying to disentangle the mess. Not only was the new system counter-intuitive it was also ridden with bugs and flaws. Staff confusion was compounded by customer confusion because long-time shoppers neither knew of nor understood the changeover. When they selected “next-day”/“name-day” delivery they assumed it would be within the conventional store delivery framework. Instead Yodel¹²⁰ was unleashed upon them, and customers encountered the sharp end of a “race-to-the-bottom” courier service at peak-season breaking point.

When things went wrong on an overwhelming number of occasions matters became worse. The only point of contact for online customers was the ironically named “customer happiness team” (CHT). Due to the sheer scale and range of problems the CHT found itself swamped and customers were put on hold for hours. Out of frustration many would end up phoning their local stores, only to be told (truthfully) that they cannot help because they have no information relating to their order.

If these failings were not bad enough in dampening FLSWs’ morale, management dropped another bombshell which typified their emerging *good-in-theory/bad-in-practice* reputation. The decision was to run a huge joint promotion with a major utility company. In the region of 100,000 E&G Corps’ customers would be entitled to claim a free bottle of prosecco worth £10. All they had to do was present a unique barcode in stores to claim their prize. Management’s logic here was straightforward; they expected that a substantial proportion of these walk-ins would be “converted” into WC customers during peak. In theory staff would have the chance to “show and tell” this captive audience *what makes us special*.

It did not occur to management that the tactic could backfire on account of timing. Firstly, by the time the free bottle promotion launched Greenbush *already* looked war torn. If this served as potential customer’s first impression of WC then it would almost certainly be a bad one. Another problem was that the processing of these claims was

¹²⁰ A low cost and notoriously low-quality courier; see Tims, A. “Online retailers pass the parcel as couriers fail to deliver the goods,” *The Observer*, 12/11/2017.

time consuming, tying up a till for 2-4 minutes per transaction. This may not sound onerous but when you have to repeat the process 650 times as we did at Greenbush then it comes to represent a major distraction during the busiest few weeks of the year. The final problem was the opportunity cost of neglecting “proper” customers. All of that time could have been spent by their side during the time of year when they are most amenable to upsells and add-sells. Instead, we were tied up with “free bottlers” who overwhelmingly wanted to get in and out as quickly as possible without spending a penny.

It was not all bad that Christmas; in the few light-hearted moments we joked about the experience of trench warfare and mocked management’s delusionary denial of the self-induced crisis. Although I joined in the camaraderie I was seething on the inside, feeling that I had been double-shafted by an unpaid/unwanted temporary “promotion” and management hubris. It seemed like the worst of the “bad old days” (understaffing, overwhelming pressures) combined with system failures on a scale I had never witness in WC before. When new RM Daisy Bouchard asked me “how things are going” I uncharacteristically gave an undiplomatic answer:

Me [slightly irate]: *“Really not happy ... I just can’t believe the extent to which top management’s screwed us over ... Webstore’s a complete nightmare; the amount of time it’s tying up is ridiculous ... the free bottle thing ... we’ve had hundreds of claimants and I get what it’s about but it’s come with a cost and the store’s being neglected. Ever since I arrived here I’ve been trying to straightened things up and I’m getting nowhere...”*

As if the debacle never happened, it was announced a few weeks later that WC “outperform[ed] City expectations to deliver its ‘biggest ever’ Christmas.” WCR sales were apparently up 7.5% which the stock market embraced with a 6% price rally.¹²¹

¹²¹ Article, national broadsheet, 2017.

However, some more astute analysts were starting to suspect that things were not really stacking up. As one commentator put it:

“It worries us that the group in aggregate, given its superior delivery of customer service in general, cannot extract any pricing premium with consumers. Indeed, it has to bear the higher costs of superior service whilst competing head on in price terms with supermarket competitors, which see wine [and spirits] as promotional footfall drivers.”¹²²

If this analyst knew how bad WC’s “*superior delivery of customer service*” had really been on account of the “*higher costs of superior service*” (i.e. Webstore roll-out) then “worried” would probably not have cut it. LF did know how bad things were though despite press briefings insinuating otherwise. As it turned out peak-2016 would be the decisive turning point for the new regime because it would silently abandon value-adding “sustainability” and switch towards something more akin to “*sustainable with WC characteristics*.”¹²³ This would intersect with a new *you’re on your own* form of “empowerment” as detailed in the next section.

Section Six: A cost-cutting/“freedom” enhancing pincer movement

In January 2017 a surprisingly insightful analysis of “the plan” surfaced in a leading trade journal. A colleague made me aware by asking “what [I] think?” Having read it my exact words were “I couldn’t put it better myself,” and this mirrored a consensus that formed amongst FLSWs who absorbed the article. The most poignant observation was made Rupert Kendall, the MD of a rival wine specialist who argued:

¹²² City analysis, national broadsheet, 2017.

¹²³ I mean this with the same irony that Deng Xiaoping displayed in his call for “*socialism with Chinese characteristics*” (see <http://www.chinatoday.com.cn/17ct/17e/1019/17e1920.htm>).

“The proliferation of new initiatives tells me that they’re throwing a bunch of things at the wall and hoping something sticks. If I was an investor I would be seeing flashing red because all those things they’re now doing are moving away from the primary WC business model – volume sales twinned with low operating expenditure. These changes are adding costs without a countervailing lift in sales or margins.”

As an active participant in “gimmick(s) of the week” it was difficult to disagree. After a while it seemed desperate rather than smart, like WC had become an organisation that would stop at nothing (including net losses) to get customers through the door. Another salient point in the article was its emphasising the long-running existential question of what WC is trying to be. Is WC a big “indie” or a small wine supermarket? The difference is more than semantics - it goes to the very heart of what the organisation *sells*. Is the idea to sell a unique/customised experience to “wine people” or a superior supermarket experience to the mass market? If the answer is “both” then how do you manage the contradiction inherent in catering to customers with very different qualitative/quantitative expectations in practical terms, bearing in mind the limits imposed by WC’s existing model? The contradiction is expressed in the following observations:

“At the same time, [WC is] seeking customers in bigger volumes, but wants to do so whilst flashing its specialist credentials and cutting heavy and widespread price promotions, the marketing mechanic that historical market data clearly shows has most appeal to a mass-market audience.”

Building upon the theme Rupert Kendall further concludes:

“WC seems to be experiencing cognitive dissonance. It wants to cater to growing interest in small parcels and other indie-led trends, yet as a PLC it needs to bring in many more customers from an already mass-market level. Good strategy requires trade-offs but WC seems to be chasing everything in front of it.”

As Chapter Five illuminated the original WC model fully incorporated the need for strategic trade-offs, tailored as it was to exploit competitors’ weaknesses. In contrast the fundamental flaw in “the plan” was that it added greatly to WC’s cost, making it less competitive with volume-led market leaders. At the same time it added little in terms of store experience *that customers were willing to pay extra for*. The overall effect was to weaken WC on both competitive flanks.

Around the time this feature article was published LF was doing the rounds reassuring all via media channels that “the plan is working.” This may have seemed plausible to outsiders but the inside story suggested an alternate reality. Immediately after Christmas management announced “dash for cash,” where everybody was “invited” to save money in the final quarter of FY2017. Management accepted that it had “*slightly overspent*” over peak (i.e. firefighting the Webstore crisis), so we must “all pull together” to save money. As part of “dash for cash” staff would lose their much loved “Free lunch Fridays,” and throughout the first three months of 2017 there was an endless stream of management evangelism on “*how we can all do our bit.*” In the meantime a great many FLSWs grew angry at what they felt was chronic unfairness. Why were they paying the price of management failures?

As management became increasingly aware of FLSWs’ sense of betrayal they took the decision to clear the air in the VPB exercise (as described above). Unsurprisingly in the circumstances it opened a Pandora’s box of grievances concerning management’s sudden swing from profligacy to frugality. Management short-sightedness and failure to address long-running FLSW concerns also reared their head as the following remarks show:

Anon (1): *“With the dash for cash and the recruitment freeze my staff are constantly covering - making them disinclined to consider WC a long term future career. If we lose staff over this wouldn’t it be a massive own goal?”*

Anon (2): *“What is WC “Support centre” actively doing to help the morale crisis affecting staff in retail stores?”*

Anon (3): *“Why doesn’t HQ abide our policy of ‘right first time’?¹²⁴ Retail staff constantly have to pick up the pieces of consistent mistakes, errors, missed POS’s, incorrect prices, vouchers not working properly.”*

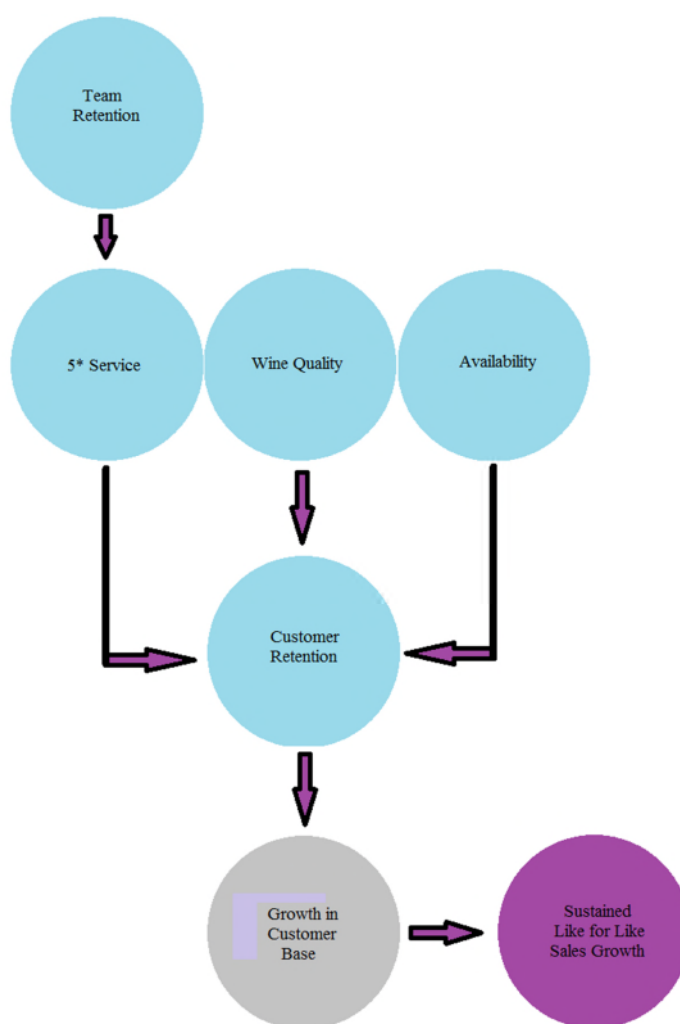
Anon: *“More IT problems this morning, seriously hampering store teams. What happened to ‘right first time’?”*

6.6.1. The new “new plan”: Less from us, more from you

The AR-FY17 is a remarkable document when considered in relation to the forgoing discussion. Management were bound to put a positive spin on results and they did so by reframing “the plan” year as the “test and learn” year. By the same token its purpose was reconstituted as an intentional test of what does not work so that management could focus on “backing the winners.” In order to do this management announced a new “WC 2.1” plan within the AR-FY2017, which appeared to be a fusion of the “2.0” logic model (see Figure 26) combined with some extra KPI’s (Figure 28).

¹²⁴ “Right first time” was a headline goal in “the plan.”

Figure 26: The new “new plan”¹²⁵



Whilst the “new plan” conveyed the same unitarist *win-win-win* assumptions as the old plan, it had a different soul and more substance upon close inspection. At its heart was a new target for “5* performance,” which was elevated to the number one priority for FLSWs. Its baseline would be to achieved over 90% of customers rating their experience 5* (the top score available), in a system where any score below 5* was awarded 0%. This meant that only “perfect” counted because 4* (the second highest possible score) was afforded the same score as 0* (the lowest), applying a lot of pressure to FLSWs to get it right “first time every time” irrelevant of the circumstances. Another feature of the “new plan” was a headline KPI for email capture. Henceforth attempting to acquire

¹²⁵ Featured in AR-FY2017.

customers' email addresses would be mandatory so as to enable the e-marketers to "work their magic" according to Daisy Bouchard. A final major component was to set "gross profit" (GP) as stores' financial KPI rather than gross revenue. The impact of this cannot be overstated because it shifted responsibility for sales *and* profit to FLSWs.

The practical problems with a shift to a GP metric were myriad; firstly, EPOS had no in-built function to calculate GP so staff were effectively flying blind. Secondly, margin information is one of the most zealously guarded secrets in WC. To have access to the margin spreadsheet required WC's version of "top security clearance" which was not granted to FLSWs. Inevitably the absurdity of responsibility with no visibility was flagged up and management offered a bizarre compromise: they would periodically publish a list of 20 high margin products. Otherwise they would only provide "rules of thumb" (e.g. own label = high margin; big brand = low margin). A still deeper-rooted problem with GP-orientation was the unmistakeable whiff of hypocrisy. Only recently management had instructed FLSWs to "*sell what you love*" – they even wrote it on the underside of staff name badges. The new guidance would be "*sell what you love (so long as it's profitable or risk losing your bonus and being labelled of 'failing' store)*" as discussed in the next section. The policy therefore represented a *volte-face* on management's part because it did not tally with "*do the right thing*" stakeholder ethics. Again, it looked and sounded like a return to the bad old ways of taking customers for as much money as you can as fast as you can. As one FLSW put it bluntly¹²⁶:

"WC is betraying its principles and its one differential in the marketplace, its customer service and staff knowledge, in favour of making greater short-term profits. I don't see how this is sustainable in terms of long-term profits, as customers are catching on to our money making schemes and some are feeling betrayed themselves."

¹²⁶ Comment in VPB.

The other self-evident contradiction between rhetoric and reality in the “new plan” was a footnote stating management’s intention to cut staff by 10% across the board. Within stores this cut staff to below old regime levels; which for a small-store team (manager, assistant manager and trainee) meant losing the trainee, having their hours cut by 25% and then divided amongst two part-timers. Hence “WC 2.1” involved the abandonment of the “classic era” staffing model and its replacement with a cost stripping numerical/functional hybrid. In ten years with the company I have never witnessed mass condemnation on the scale that this policy unleashed. The backlash was apparent in the VPB:

VPB 1: What’s on your mind?

“Staffing – Having taken my store through £1m this year I was looking forward to moving my 3 person team to a 3.5, so that all my deliveries that are taking my trainee out the store would be handled by a part-time driver. I was then told that, in fact, I am getting the opposite; my trainee going, and her 45 hours going down to 36, to split between 2 part-timers. I am trying to remain positive ... but my concern is that my 5 - currently one of the best in the business – is going to suffer. I can’t help but feel that this isn’t a move that is best for the customer, it is what is best for staffing budgets... I enjoy my job ... but my motivation at the moment is probably the lowest it has been in the last 12 years.”*

VPB 2: What’s on your mind?

“With the removal of my trainees from my store I am going to have considerably less working hours per week ... How am I supposed to grow my store and continue 5 service with 27 hours less each week? When either myself, or my Assistant, are on holiday this problem will be significantly worse and include more lone working! In theory the flexible hours model works.*

However, people work part time for a reason ... they will not be dictated to.”

A pattern evident in management’s VPB responses was to selectively answer and/or ignore the specifics. Having read 350 VPB Q&As it was clear that a company line had been agreed on contentious issues. Time and again management recycled the same premise that “flexible working” would serve as a panacea to fix all ills, whilst conveniently failing to acknowledge the negative impact of a net reduction in hours. As the VPB rolled-on FLSWs became increasingly hostile in relation to management’s evasiveness. The following question encapsulates growing antipathy:

“Are you actually going to do anything with the responses from this? I’m starting to wonder what the point of letting employees raise their concerns when nothing is being done! Most of the responses on here RE: the new staffing model or work/life seem to have been wriggled out of. There seems to be a growing morale problem in the company yet nothing is being done to alleviate it. As cynical as it may sound, HQ seem to see everyone in store as statistics – as opposed to real people with real problems.”

Management’s refusal to have an open and honest conversation in an exercise that served that very purpose reminded me of Turnbull & Wass’ (1997) findings in HSR. They learnt that managers were being trained to give pre-scripted answers to “all the usual complaints” (see Chapter Three). Similarly, the VPB exercise suggested that a firewall of standardised answers was actively deployed to keep FLSWs out of management’s business.

6.6.2. The Purge

Given the manner of LF's arrival he was under no illusion over what would happen if he failed to get results. At the first large gathering of store managers in 2015 he clarified his expectations as follows:

“Look this is what’s going to happen. If I haven’t turned this company around I’ll be out of a job in three years. Then we’ll all be out of a job in five years.”

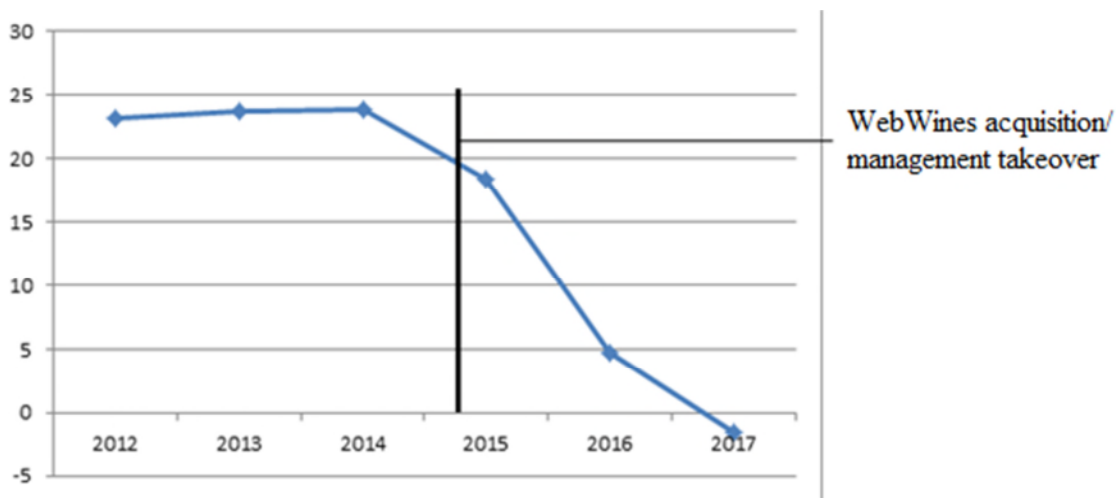
When the results for FY17 were announced management went to extraordinary efforts to micro-manage FLSWs' interpretation. Each store was sent a copy of the AR-FY2017 as well as an “In 2 Minutes” summary of “good news.” It did not take much digging to see that things were not so rosy though. Most KPIs had barely moved forward in the intervening period and some had gone backwards (staff retention being notable example). As for bottom line WC had slipped into minus territory with a statutory pre-tax loss of -£1.5m, down from a £4.7m profit in FY16 (see Figure 27). Management argued that this was a mere paper loss, explainable with reference to the UK's arcane accountancy standards. EBIT¹²⁷ told the “true story” of £14.1m profits according to the regime.

Setting aside accountancy speak, management contended in AR-FY17 that investors should not be worried by the numbers because they indicated that WC was “past the tipping point.” Bad numbers merely represented growth pains - the price of turning around a ship long-travelling in the wrong direction. In contrast FY18 would be the year of “backing the winners” as mentioned above, and bumper results would be the consequence of investors' faith. It should be mentioned here that six months prior, management had to declare a profit warning due to costly failures in the WebWines and

¹²⁷ Management's definition of the “best [performance] indicator” seemed to shift with each results publication.

the commercial division. The share price fell by a quarter upon the announcement, tightening the noose around LF's neck.

Figure 27: WC statutory pre-tax profit (£m), 2012-17



Immediately after the FY17 results announcement most mainstream analysts appeared to buy management's narrative, although not without imposing new conditions. Continued support came with an expectation of "no more slips [and a] swing towards profitability."¹²⁸ Other analysts were still more reticent, with one influential investment website referring to WC as "a high risk growth stock I'd avoid for now." The reasoning coincided with my unfolding account:

"The company has run into troubles of late, with EPS dropping in each of the past two years as it embarked on ambitious acquisitions and invested heavily in attracting new customers ...Much of the blame for falling profits is due to the company investing in logistics, marketing and discounting ... it remains to be seen whether these new customers ... will ever prove to be a sustainable source of profits....The company is right to invest as

¹²⁸ Article, national broadsheet, 2017.

*it is in the future growth ... but there is little room for failure ...
falling profits and rising debt are enough to put me off until
there are more concrete signs that turnaround plans are paying
off.”¹²⁹*

Evidence that LF knew the true state of things was apparent in the way his “off camera” actions reflected reality rather than the upbeat assessment he was peddling to uninformed outsiders. As well as casting aside “the plan” in early 2017 LF also began a process of ousting much of the top team responsible for it. The first casualty was Tim Stapleton who mysteriously disappeared around Christmas, even though his departure was not formally announced until Spring. Soon after the majority of Tim’s top lieutenants were relieved of their duties too. The official explanation was that “things were not changing fast enough,” which LF took as justifying him taking direct control of WCR. LF felt he could no longer trust his generals so would have to make strategic decisions himself.¹³⁰

It was around this time that “5* service [became] the only game in town” as my colleague described it, reflecting LF’s newly stated intention to reconfigure WCR around the paramount principle of flawless service. To do this he would remove any and all barriers to “progress” including staff that did not get “fully on board” to use his own term. Many of those who no longer fit the bill were the regional managers who had ascended the ranks during the DM era including Doug Slazenger, who was relieved of duty after 14 years. His and others’ apparent disposability caused discomfort amongst WC veterans at store-level, who wondered what their perceived value was if senior figures were cast out so unceremoniously. These concerns were amplified by explicit warnings from LF and his coterie that anyone who failed to fully commit to the “new WC way” is “*choosing to leave the company.*”

¹²⁹ Investment website, 2017.

¹³⁰ LF said as much in an intranet webcast. In another webcast he complained that he had too many “charges” due to his lack of a top team for WCR.

There had always been an implied threat hanging over FLSWs at WC but this “choosing to leave the company” double-speak exposed management’s willingness to use force in an unusually naked way. As power became unsheathed and the purge decimated middle ranks a new atmosphere of paranoia blossomed as the following VPB question illustrates:

“Can you categorically state that old-school staff members are not being pushed out of the business? It seems that a lot of the recent RM promotions have been in favour of young candidates, and combined with several high profile old schoolers leaving and Doug Slazenger being passed over for the divisional director north job, people are beginning to speculate.”

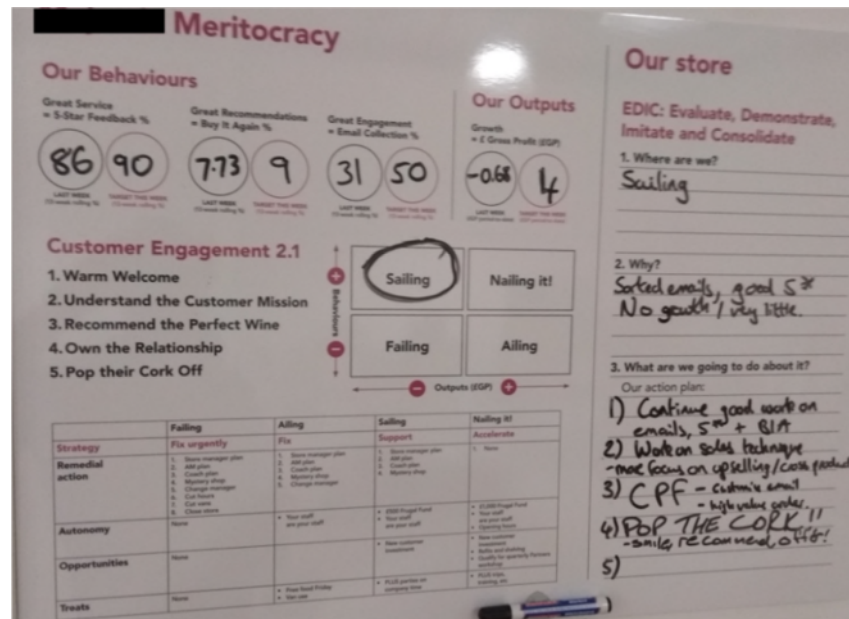
The divisional director who responded to this question insisted that such concerns were baseless. A couple of weeks later he became the latest high profile operative to be disposed of. As discussed in Chapter Two, Du Gay (1996) anticipated that service sector “post-bureaucracies” would become subject to “periodic purges” as means of getting ever closer to the customer. Whatever the cause, the consequences of perpetual crises along these lines were keenly felt amongst FLSWs at WC.

6.6.3. Meritocracy – “work will set you free”

To further underline the significance of “WC 2.1” KPIs and to systematise them into something resembling strategic HR, “Meritocracy” was rolled out in the first few months of FY18. This crystallised the ethos of the “new plan” into a scoring system whereby stores would be labelled “nailing, sailing, ailing, or failing” depending on whether they (a) beat targets for “behaviours” (5* feedback, email acquisition, and “buy it again” recommendations); and (b) beat targets for “outputs” (GP growth). To be bestowed the “nailing” label meant beating targets for behaviours *and* outputs whereas “sailing” meant beating targets for “behaviours” but failing to exceed GP targets. The phrasing is significant because “meritocracy” assumes that if you “do the right thing”

then you are “sailing” in the right direction; hence, sailing is a pass mark because your behaviours are right and bottom line will follow (or so the logic goes). In contrast, “ailing” and “failing” (see Figure 28) indicates underperformance which “meritocratically” puts you on management’s radar for special attention.

Figure 28: The Meritocracy (a)



As can be seen more clearly in Figure 29 below, each score comes with its own designated “remedial action,” “autonomy,” “opportunities” and “treats.” Setting aside details the gist is that failing stores will receive stick and no carrot whilst nailing stores will be afforded the opposite treatment. The whole system would be automated through a software suite facilitated by Tableau, whose website proclaims “we can’t change the world if we have the culture of a typical corporation.” It continues to say:

“When a company gives people self-service analysis tools, they feel different. Respected. Capable. Powerful. People start to drive their organisation forward in ways that could never have been anticipated. They express their full ingenuity and creativity.”

Figure 29: The Meritocracy (b)

	Failing	Ailing	Sailing	Nailing it!
Strategy	Fix urgently	Fix	Support	Accelerate
Remedial action	<ol style="list-style-type: none"> 1. Store manager plan 2. AM plan 3. Coach plan 4. Mystery shop 5. Change manager 6. Cut hours 7. Cut vans 8. Close store 	<ol style="list-style-type: none"> 1. Store manager plan 2. AM plan 3. Coach plan 4. Mystery shop 5. Change manager 	<ol style="list-style-type: none"> 1. Store manager plan 2. AM plan 3. Coach plan 4. Mystery shop 	<ol style="list-style-type: none"> 1. None
Autonomy	None	<ul style="list-style-type: none"> Your staff are your staff 	<ul style="list-style-type: none"> £500 Frugal Fund Your staff are your staff 	<ul style="list-style-type: none"> £1,000 Frugal Fund Your staff are your staff Opening hours
Opportunities	None		<ul style="list-style-type: none"> New customer investment 	<ul style="list-style-type: none"> New customer investment Refills and shelving Qualify for quarterly Partners workshop
Treats	None	<ul style="list-style-type: none"> Free food Friday Van use 	<ul style="list-style-type: none"> PLUS parties on company time 	<ul style="list-style-type: none"> PLUS trips, training, etc.

The fit between Tableau’s grandiose claims and “WC 2.1” meritocracy rhetoric seems self-evident. Tableau claims to unleash the power and creativity of workers through “self-service analysis” whereas Meritocracy claims to “empower” FLSWs by providing a framework to win their freedom. The problem for FLSWs would be that with this supposed system of power devolution almost exclusively operated on an ideological level; no meaningful power transfer accompanied it. As will be detailed further below Meritocracy did little more than symbolised and systematised a new *we’ve given you the tools so you’re on your own* mentality.

To reinforce a new *power’s in your hands*/total-accountability ethos complementary HR policies were enacted by management. A first such policy was to disband the role of area manager and to create a new post called “regional coach.” Gone would be the old days of area managers calling the shots it was claimed; coaches would simply provide support and guidance and final authority would be vested in store managers. A second reinforcement policy was the newly created role of “WC partner” - a new rank created for store managers to aspire to. Those who proved their ability to autonomously serve as management’s agents would earn “partner” status, which came with a potential remuneration package of £50,000 p.a. according to the hyperbole.¹³¹ Nobody within stores believed that they would ever see this *technically-possible-but-real-world-*

¹³¹ £25-£30k is the current norm.

impossible income level, but this did not stop mainstream press from proclaiming a brave new world led by WC. One article in a leading broadsheet¹³² uncritically sung from the PR crib sheet on the new “empowerment” model:

“Over the past few weeks the company has been testing a new ‘franchise-light’ model ... giving managers responsibility for areas such as staffing levels, opening hours, product lines, discount levels and tasting budgets... [Quoting LF] “We’re turning the traditional retail ‘command and control’ style of management on its head, giving store managers more control ... this means staff can be rewarded for their customer service and profit contribution, which we believe will deliver more sustainable growth...if the franchise-light model had the desired effect ... he would consider taking things a step further by moving to a full franchise.”

It almost goes without saying that the devil is in the details. To take a few examples, the supposed “control” over opening hours only gives partners the power to *extend* opening hours rather than reduce them. Power over staffing is literally a fiction because the staffing model and budget remains centrally imposed. As for “*reward[ing] ... customer service and profit contribution,*” the bar for “nailing” was set so high that few stores actually cleared it to make bonus. By mid-2018 one experienced manager told me that their income was *down* £1,000 on 2017. Thus, the system that promised managers £50,000 p.a. is paying a large proportion of FLSWs *less* including managers.

Chipping away at the glossy veneer of management speak about “Meritocracy,” “empowerment” and “autonomy” quickly reveals the dark heart of what is going on. Management is not empowering FLSWs; it is abandoning them and using double-speak to cover its tracks. The real meaning of Meritocracy is that *you’re on your own* with all of the responsibility and none of the power. As is made clear the only extra power for

¹³² It appeared in the business section, September 2017.

store managers is to “choose” extra-intensification by doing more with less than management budgeted for. In this sense “Meritocracy” fits with the “bleak house” interpretation of sophisticated HR (see Chapter Three) because it represented an elaborate ruse whereby management seeks to extend its reach, whilst simultaneously absolving itself of any direct responsibility. Fleming (2017: 200) refers to such policies as “neo-liberal managerialism,” arguing that:

“[Where] *ultra-responsible autonomy meets intrusive big data metrics ... the results are not pretty. Workers are ‘on their own’ in terms of owning their own fortunes in an ever volatile economy.*”

The beauty of a “franchise-light” from management’s perspective is that they retain ownership and control of the brand, the strategy and centralised operations whilst shifting the burden of performance and bottom-line to FLSWs. All of the power and none of the responsibility strikes me as tantalising prospect and convenient illusion for management but the equal and opposite may be said for FLSWs (see Grugulis et al. 2010 and Lloyd & Payne, 2014). Within this dynamic management becomes little more than a rentier class charging fees for brand management and support services. The messy stuff of running premises, managing “labour problems” and generating profits (from real-world sales encounters with real-world customers – see Chapter Seven) is shunned onto “autonomous” FLSWs. Their failure to make bonuses is effectively a tax on under-utilisation of management-controlled assets. It should be noted that the few stores that do make bonus have any cost increase on the previous year deducted from the gross bonus pot, meaning that management have also shifted the costs of growth *as well as* responsibility to FLSWs. As will be shown in the next chapter, these tactics have proved highly detrimental to key pillars of job satisfaction in stores.

In Chapter Three Grimshaw et al. (2002), Lloyd & Payne (2014) and Grugulis et al. (2010) each argued that a key trend shaping the experience of FLSW is the separating of conception and execution and the hollowing out of the middle. WC’s push towards

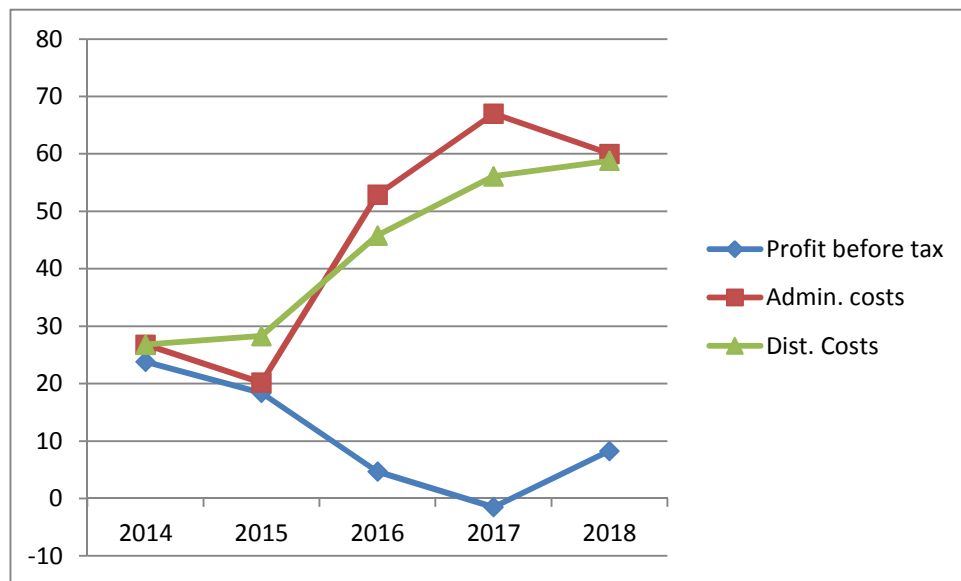
“Meritocracy” and “Franchise-lite” represents an extreme example of these processes in my view. Since becoming “coaches” regional managers have become prime examples of “empty suits” (see Turnbull & Wass, 1997; also Bolton & Houlihan, 2010) - middlemen/women with accountability for regional performance but no power (at the strategic-level) nor control (at the store-level). I can state confidently that nobody knows what coaches actually do, even a coach told me “*we’re in the process of working it out*” several months into the policy enactment.

Of greater significance to the FLSW experience though is the general disaggregation of management and FLSW orbits. The franchise-lite model incorporates an ideological legitimization mechanism that justifies management no longer “getting its hands dirty” so to speak. Whereas Fleming and Spicer (2003) talked about workers “operating at a cynical distance,” franchise-lite seems to express management’s desire to do the same. They no longer see it as their place to micro-manage how tools are *used* by FLSWs. Instead their role is conceived as designing tools that *pre-determine* their use whilst enabling them to monitor the through-flow of inputs and outputs, tinkering with the system until it is “perfect.” In the way that Apple designs iPhones in California and outsources the dirty work to Foxconn plants in China,¹³³ WC is endeavouring to separate creation from production and consumption in WC stores.

You could be mistaken for believing that if management was no longer actively shepherding the frontline then management fees would come down. If “command and control” is disbanded and “autonomy” is enacted then it seems only reasonable to expect reduced supervision costs. As it happens reality is the exact opposite because “weightless management” is evidently expensive. Figure 30 tells a truer story of why WC has struggled to make money than management would ever dare admit publically. Its struggles really concern the explosion of “administrative” (i.e. management) and distribution costs relating to its own strategies, policies and HQ culture as detailed above.

¹³³ See Merchant, B. (2017) “Life and death in Apple’s forbidden city,” *The Observer*, 18/06/17.

Figure 30: Non sales-related costs Vs profit before tax (£m)



If members of management were to read this chapter they would probably argue that it is “just his opinion” and that their “facts tell a different story.” Yet Figure 30 *are* management’s facts and they present a clear and obvious link between costs *completely unrelated to FLSWs/stores* and declining profits. In the three year period between FY14-FY17 distribution costs increased by 116% whilst group revenue increased by 71%. Far more dramatically, “administrative costs” (which includes HQ expenditures) increased by 324% over the same period. I calculated that if administrative and distribution costs had risen in proportion with revenue during the period then an extra £47m of profit would have been afforded.¹³⁴

So why have administrative costs risen so spectacularly? Management would probably argue that the cost increase relates to “growth pains” and the expense of housing two distinct businesses within one corporate entity. They are also likely to shift some of the blame to the old regime, arguing that “they didn’t fix the roof whilst the sun was shining.” “Growth pains” is hardly a sufficient explanation for a 314% increase in administration costs though, whilst merger should generate cost efficiencies (via less duplication and better asset utilisation) at least in theory. Furthermore, blaming the old

¹³⁴ I have to make some crude assumptions here, but even a 50% relative cost increase would have represented £23m in additional profit.

regime is legitimate in some senses but is not credible as a defence for the tripling of administrative costs over three years.

A much more realistic proposition is that the “weightless-management” of a “multi-channel” model has proven ruinously expensive, necessitating (or so it is thought) an army of “bullshit jobs” to design and administer systems of “autonomy.” The intention of these systems is to bind the agency of FLSWs whilst simultaneously allowing sufficient slack to enact dynamic roles in operational/commercial senses (see Fuller & Smith, 1991- see Chapter 3). The problem that WC’s management confronts is that their expensive system is not working, partly because it is based upon a pleasant fiction (from management’s perspective at least) that FLSW actors are masters of their own destinies. Reality is much more complicated as I will illustrate in Chapter Nine.

Section Seven: Discussion – the Lyle Fisher regime

When LF joined WC he appeared to share FLSWs’ understanding of what was wrong with the organisation and how it came to be so. This was a breath of fresh air to those who had spent years living with the myth that resource starvation was no impediment to growth. The possibility of a new and better “WC way” was made to feel all the more real by the logic model that LF transposed from WebWines (see Figure 22), which posits “doing to the right thing” as the crux of *sustainable* growth. Perhaps if LF could pull off “everybody wins” business alchemy in one wine company then he could graft it onto another?

For what it is worth I believe LF was sincere in his desire to transform WC into a sustainable growth company by “doing the right thing” and undoing the damage of the previous regime. I also suspect that he would have loathed the idea of following the old regime down the route of cost-cutting and short-term profit squeezing. Yet it remains the case that after less than two years he did exactly that, enacting a 10% squeeze on staff budgets and taking the new regime to places even the old regime dared not go. With hindsight, the speed at which such an enlightened programme took on darker tones was remarkable.

As the man with his hands on the levers of power, LF has to be held responsible for the array of interconnecting failures that led WC to this place so hastily. That said, it would be unfair to lay the blame for the failure of “stakeholder capitalism” entirely at his door because it also related to forces and factors beyond his control. LF cannot be blamed for the state of “old WC” when he took over for example, nor can he be blamed for the momentum swing towards competition during the profit maximisations years that preceded his reign. The dual forces of slow economic growth and socio-economic polarisation in the UK (as discussed in Chapters Two and Three) are not LF’s fault either. The “hollowing out of the middle” is a particularly potent threat to WC because “middle England” is its customer base. Something else lying beyond LF’s power is the UK’s tax regime that subsidises and favours multinational e-tailers,¹³⁵ and labour market policies that de-constrain race-to-the-bottom “low road” approaches such as those revealed at Disney’s theme parks recently.¹³⁶ These forces and factors militate against bosses who would ideally prefer an alternative to dog-eat-dog neo-liberal dystopia.

One thing that LF can be blamed for though is the running out of time, which goes some way towards explaining the specific juncture at which the cost-control/“freedom” pincer movement commenced. “The market” has a limited appetite for deferred profitability, only condoning deviations from the norm (i.e., profit maximisation) so long as losing out in the short-term offers greater rewards in the long-term. By peak 2016 LF had burned through his reserves of market patience, an autumn profit warning and unconvincing Christmas performance saw to that. Moreover, a timeline for a return to “business as usual” has been sown into LF’s contract from the outset - dangling a £7m carrot in front of him with an FY2019 expiry date. It may sound cynical but it would not be the first time that a WC CEO had descended into market-induced and self-interest driven destructiveness to the detriment of those the organisation relies upon. It is perhaps possible that near-perfect synchronicity between LF’s performance bonuses, market signals and the above cycles of expansionist/contractionist policies are entirely coincidental though.

¹³⁵ See Murphy, R. “Amazon’s tax is not transparent – but politicians let them get away with it,” *The Guardian*, 06/08/2018.

¹³⁶ See Gumbel, A. “Disneyland hikes some wages to \$15 an hour after outcry over worker poverty,” *The Guardian*, 28/07/2018

CHAPTER SEVEN: THE WORK ORGANISATION OF THE FRONT-LINE ROLE

Introduction

To provide a clear picture of how work is organised within WC's retail division, the present chapter seeks to systematically describe and analyse FLSW in terms of the key dimensions that constitute it. Attention will focus upon those domains of interest that are traditionally covered within work ethnographies and industrial sociology. Specifically, the nature of FLSW will be assessed with a view to control (Section 1), the labour process (Section 2), co-worker relations (Section 3.1) and worker-customer relations (Section 3.2).

In pursuit of a balance between clarity on “*how it really works*” and re-iteration of the significance of continuity and change, I have sought to illuminate the nuances of both regimes where appropriate. In presentational terms the analysis is framed by consideration of comparable research findings as presented in Chapter Three. These comparisons are useful in outlining and evaluating degrees of separation between WC and other case studies of FLSW.

Section One: Control

In their studies covering the supermarket and café sectors respectively, Grugulis et al. (2010) and Lloyd & Payne (2014) came to dour conclusions concerning the centralisation of control. Each showed store managers to be to some extent *management in name only*, whilst FLSWs had even less control over their work due to a combination of highly prescribed roles and constant surveillance by “empty suit” supervisors. This term was mobilised by FLSW's in Turnbull & Wass' (1997) study of High Street Retail, as a metaphor for FLSWMs¹³⁷ supposedly robotic adherence to head office dictates. Viewed through the conceptual lens of a separation of conception and execution (Braverman, 1974), these studies clearly located FLSWs and FLSWMs within the

¹³⁷ As a reminder: frontline service work manager.

execution-only camp. Lloyd & Payne (2014: 483) made this clear in the following remarks:

“The café managers in this study ... exercised limited discretion in relation to layout, products, pricing, pay and staffing levels, all of which were determined centrally by head office and/or the outlet owners. The main area of control was over issues relating to the management of staff.”

In their earlier study of FLSWMs in “big box” supermarkets Grugulis et al. (2010: 1) drew similar conclusions on the extent of centralisation:

“The work of managers was heavily prescribed with ordering, product ranges, stock levels, store layouts, pricing, special offers and staffing policies all set out by respective functional divisions and head office. Their work was also closely monitored and their personal performance assessed, through the constant and close inspection of sales, profit and customer service performance scores of the stores and the departments they were responsible for.”

Within WC *glass half empty* and *glass half full* perspectives on the balance of freedom versus control were commonplace. Individuals could even oscillate between one end of the spectrum or the other on a given day. In my case for example, in one moment I could feel comparatively free on a relaxed day doing deliveries along country lanes then in another I could feel stressed and oppressed doing the same task for a number of reasons. These might include ill-considered scheduling (e.g. too many deliveries in a single time slot or impossible requirements to be at two places at once); failure of store colleagues to adhere to best-practice (e.g. not taking phone numbers or directions¹³⁸); or one or more deliveries that were qualitatively difficult for some reason. That all said, the main pressure emanated from a common requirement to return to store as soon as

¹³⁸ To name addresses in the countryside, which are often not well catered to by Sat Navs.

possible to support a colleague left “on one.” This pointed to the importance of staffing levels which FLSWs had little control over (see below).

As a reflection of competing glass half empty/glass half full interpretations of FLSW control, I took it upon myself to challenge a senior manager on the extent of centralised control in WC. The exchange (below) took place during a regional director’s “meet the troops” gathering, throughout which he stipulated an opportunity to “*get it all out in the open.*” This occurred during the “the plan” year (as described in Chapter Six Part B) and was attended by roughly fifteen FLSWs of all ranks. My remarks expressed concerns about “the plan” at the time of its implementation.

Researcher: *“My concern is that it will lead to even less control
... Ideally we want more control not less.”*

Divisional Director: [Snapped back] *“What is it you don’t have
control over!?”*

It is frustrating that written words cannot adequately capture the disdain with which the Divisional Director tonally countered my concern. The question was partly rhetorical but I nonetheless felt frustrated that I did not have a pre-prepared answer. Consequently, I was only able to respond with a scattergun of grievances rather than a point-by-point exposé of extant limits upon discretion and autonomy. To this I now turn however, using Grugulis’ (2010) and Lloyd & Payne’s (2014) categories to break down the extent and nature of control over key dimensions of FLSW in WC.

7.1.1. Ordering, product range and stock levels

FLSWs had no meaningful autonomy over the product range in WC stores. Centrally-based buyers monopolised power over the wine range, both in terms of product listings and the relative holdings of wines derived from particular regions, grape varieties, etc. Listings (and indeed de-listings) were driven by hard-nosed decisions concerning sales, profit margins and the relative competitiveness of products. We knew this because

buyers often wrote to FLSWs when popular products were delisted, explaining the reasons and suggesting substitutes. Explanations always focused upon these factors.

One of the core objectives of “the plan” (see Chapter 6; also Appendix - Section 2) was to systematise logistics in pursuit of “smart distribution” of products. The general idea was that the DC would distribute with a view to sales data rather than simply looking to optimise throughput (i.e. sending products to whatever stores could absorb it). This transition overlapped with the introduction of “WC 2.0” planograms and a new system of core lines being complemented by “bolt ons” (extra allocations of certain products as determined by sales records).

Whilst these systems introduced new tools to standardise and streamline what was distributed to stores, what remained unchanged was FLSWs’ lack of control over stock holdings. Local discretion was limited to the placement of “direct orders,” which referred to a limited number of products that stores ordered directly from suppliers (rather than receiving them from the DC). However, even this area of limited discretion was repeatedly curtailed when senior management enacted cost-control cycles (see Chapter Six). In addition FLSWs could request listings of locally-produced ales and spirits but buyers retained control over final decisions and the business side of things (price, margins, supply arrangements, etc.). A final tool at FLSWs disposal was a capacity to order quantities of products from the DC to be delivered by an external courier, thereby circumventing conventional distribution channels in situations where sales could not be fulfilled otherwise. This facility was expensive¹³⁹ so could not be used to fundamentally reconfigure stock holdings.

7.1.2. Store layout

Control over store layout was a prime example of glass half empty/glass half full rival interpretations concerning the degree of localised versus centralised control, as was revealed by interview data. More senior store managers argued that their length of

¹³⁹ £4 per 12-bottle box. Couriers distributed from the DC to stores. Payment was centralised and stores were provided with guidelines on the effective utilisation of the facility.

service and track record for getting results won them considerable leeway for judgement calls over store layout. That said, the specific examples they referred to seemed trivial in nature – a finding that paralleled those of Grugulis et al. (2010). An example follows:

“When you’ve got the confidence and you’ve been around for a while you kind of say actually I know that my customer base wants this beer and stacks of beer here ... so if you have the confidence to do that you just go ahead and do it, then yeah, as long as you can back it up, that’s fine.”

There are truths contained in these remarks; store staff did have limited ability to deploy commercial acumen and pragmatism in the layout of their stores. Nevertheless, decisions had to be defensible and management (specifically area managers or “coaches”) have always policed the acceptability and suitability of decisions. Area managers’ visits typically involved shop floor “walks and talks.” A standard feature would be to review merchandising decisions with especial emphasis on ongoing promotional activities. If the area manager took umbrage then they could use superordinate power to demand changes. Most often these demands took the form of “suggestions” (see Doug Slazenger’s all stores email for an example, Figure 20).

Thus, there was something of a “negotiated order” between FLSWs and RMs on one level, but on another level field operatives were all answerable to higher centralised powers. As mentioned above, Head Office imposed a standardised layout and the policemen (RMs) were themselves policed by more senior or specialist management. These senior-level control networks sought to ensure that the centrally-designed planogram was enacted in practice. Deviations from the template had to be defensible within established and emerging rules and logics (as the interviewee alluded to above).

7.1.3. Pricing and promotion

FLSWs have no substantive say on pricing or promotions in WC, with the former being the domain of buyers and the latter being the domain of the marketing function. Within the classic WC model promotions were predominantly regional (e.g., Australia, Italy) and would involve all wines from that region being on “special offer” for a period – typically four to five weeks. Over the years promotions became shorter and more product specific to induce urgency amongst customers. Promotions also moved online to reduce costs and increase the speed of connection between marketing “wizards” (as Daisy Bouchard referred to them) and customers.

Residual scope for FLSWs concerned style rather than substance and was driven by personal tastes, at least in part. FLSWs would be told to “get behind” lead promotions although they had room to decide exactly which promotions they would “get behind” and to what extent. For example, FLSWs could feature certain promotional products in more visible places or on the tasting counter depending upon their own agendas. In relation, there was a range of defensible grounds that FLSWs could deploy to “legitimately” marginalise a promotion.¹⁴⁰ Perversely, management developed a penchant for sabotaging its own promotions as implied in the following monologue:

“Monaco Bay Prosecco is on at £6.99 on the mix 6 but they [senior management] don’t want us to [proactively] sell it because the GP’s crap – we’re not making any money on it ... If you can, try to upsell to this [the store manager points to another Prosecco] instead.”

Monaco Bay was WC’s bestselling Prosecco and management reduced its price because they felt that they had to price match rivals during a key trading period. Supermarket competition could afford to loss-lead on wines whereas WC could not (see Chapter Five). Management nonetheless believed that they could not afford to be seen as uncompetitive, so their solution was to match supermarket’s price whilst instructing FLSWs to sabotage take up of the offer.

¹⁴⁰ For example, you could argue that the stock holding is reserved or that you still regard it as inferior to an alternative product in “pound for pound” terms.

Two related areas of relative freedom were short-dated lines and high value transactions. FLSWs were encouraged to reduce the price of short-dated items to minimise shrinkage, although the exact strategy was left to them. Some would reduce prices gradually to avoid GP losses whilst others would slash prices dramatically (e.g. 50% reduction within a month of the use-by date), in the hope of avoiding complete write-offs. The second area of discretion concerned large sales, typically defined as £1,000 or more. FLSWs had leeway to add discretionary discounts in relation to such transactions, although AMs kept a keen eye on stores' overall application of this discretion. They would demand explanations if staff appeared prone to largesse. Furthermore, once "Meritocracy" had been enacted FLSW were formally made responsible for GP in a comparatively systematic and inescapable way. This further militated against a liberal application of discretionary discount.

7.1.4. Staffing policies

The popular wisdom "*he who has the gold makes the rules*" seemingly applied to the staffing of WC stores. In the classic WC model management addressed the challenge of front-line costs *vis-à-vis* service quality by deploying functional flexibility alongside full-time contracts, career progression (at least within retail) and perks above industry-standard (see Chapter Five). More recently the Lyle Fisher regime toyed with a functional/numerical flexibility hybrid in an attempt to further reduce staff costs, sacrificing stores' qualitative capacity in the process.

As was made clear in Chapter Six, management determined and imposed budgets and the staffing model. Both regimes indulged periods of relative generosity as they embedded themselves – for example, DM's regime allowed RMs to use their budgets to employ part-time drivers over seasonal peaks – complementing rather than displacing full-time staff. Eventually though (during the cost-control cycle of the late DM era) these precedents were exploited as a means of deploying numerical flexibility by the backdoor. RMs did this by delaying the recruitment of new full-timers during low-seasons and using part-timers to partially offset shortfalls.

Arguably then, when LF's regime formally disbanded the classic model and introduced a cost-saving hybrid it was only formalising a long-standing unofficial practice of part-timer substitution. Store managers had always been charged with recruiting part-timers, so it was ironic that management framed the continuance of that arrangement as "taking back control" of staffing arrangements. At odds with the rhetoric, RMs continued to have the final say on promotions to assistant manager.

Overall, store managers did have some say in FLSW recruitment but their options were curtailed and shaped by the executive power of line management and specialist functionaries. The rule of thumb for store team composition is broken down in Section 7.3.1.

7.1.5. Monitoring and surveillance

Key performance indicators (KPIs) were management's most prominent and consistently utilised mechanism for controlling FLSWs. Monitoring mechanisms applied pressure at all points in the retail hierarchy, with senior line managers' performance assessed against aggregated KPIs for all their stores. They in turn would have detailed breakdowns of individual stores' performances and would apply pressure to laggards weighing down their numbers. RM's store visits and managers' appraisals focused primarily upon performance against KPIs. In instances of sub-par performance managers would be expected to outline plans to improve upon them. Those plans would invariably involve applying pressure to sub-ordinate in pursuit of behavioural change that would improve the numbers.

During the DM regime the primary obsession was with two KPIs: revenue and shrinkage, with the limit of the latter being set as a percentage of total sales (0.002%). For a store with £1m in revenues this would impose a £2,000 "acceptable" threshold for losses accrued to such things as theft, damage to merchandise and staff errors. So long as both of these numbers were on the right side of their target, a given store would have

“set the game to win” in terms of easy relations with RMs. In contrast, underperforming outliers were likely to move to the top of RMs’ watch list.

Again, an argument could be made that “Meritocracy” merely formalised, systematised and institutionalised the well-established practice of managing by the numbers. In this instance however I would argue that such a position would be overly simplistic because “Meritocracy” broadened and changed the KPIs that FLSWs were measured against (see Chapter 6 Part B for discussion). One important implication was that FLSWs were made responsible for more qualitative performance dimensions, albeit without additional meaningful power to enhance them. Quite the contrary, management’s concurrent changes to the staffing model heightened the challenge. Put simply, management took away resources with one hand and expanded responsibility on the other.

Alongside “Meritocracy,” management introduced mystery shoppers as an additional mechanism to monitor FLSWs along qualitative lines. Given that this mechanism was introduced alongside others pursuant of similar ends, it is difficult to tease out its standalone impact. Further difficulties in assessing its effects were caused by sporadic usage and the inaccessibility of data yields. Besides management, only the FLSWs involved could view feedback from mystery shopper visits and the interviewees in my sample had little to say about them - having not been assessed themselves. I did nonetheless hear several stories of “bad performances” and the supposed reasons for them. An example follows:

“She [the mystery shopper] came in first thing and I was on my own – I had two other customers to deal with and I had to get the van out [start the delivery run] so I said ‘hello’ but didn’t really do anything else. She was a right bitch - really miserable – so I assumed she didn’t want any help. Then she wanted to try wine on the tasting counter at 10am and I hadn’t even got the wines [for the tasting counter] out.”

The FLSW who regaled me with this tale did not share the exact score that it led to, nor did he reveal what (if anything) was said by the “coach” in relation. Management had insisted at the inception of the mystery shopper programme that it was for “training purposes only.” I never heard any story to the contrary, but it was clear that a poorly scored mystery shopper visit could be distressing for those involved.

In respect of the policy I was vigilant in trying to spot mystery shoppers and did on a few occasions “lay it on thick” (in terms of the service proposition) when I suspected I one. Eventually FLSWs learnt to spot the signs of a mystery shopper because management scripted their behaviour in such a way as to ensure that they would act like “ideal” customers (discussed below). Ironically, this made them stand out like a sore thumb so those few authentic “ideal” customers (i.e., keen, interested, eager to chat and ask questions, enthusiastic about special features/offers) become suspected mystery shoppers as a consequence.

In my final two years with WC my home store was subjected to four mystery shopper inspections, with three passes (80%+ scores) and one “fail.” In each of the three passes my colleagues suspected that they were dealing with a mystery shopper and in one instance my colleague “definitely knew.” Knowledge of the assessment criteria facilitated an easy opportunity for 100% marks which my colleagues achieved on two occasions. The proceeding “fail” was attributed to a mystery shopper “slipping through the cracks,” as two staff members each assumed the other would “own” the encounter. In the confusion valuable marks were lost as the mystery shopper report shows (see Appendix, Section 4).

Given the expansion of management’s reach into FLSW life it is reasonable to argue that monitoring and surveillance were intensified throughout the research process. That said, management’s omnipotence ought not to be over-stated because there was a range of factors that limited the utilisation and/or effective functioning of their monitoring and surveillance systems. Starting with video surveillance in stores as an indicative

example, the images produced were not available to management in real time. “Eye in the sky” cameras functioned as store-based closed circuits with the output devices (i.e. monitors) located in store offices and behind the till. Stores typically had six cameras and none were in backspace areas. They were distributed with a view to theft deterrence rather than FLSW monitoring and there were numerous black spots on shop floors. Typically equipment was unfit for even the modest purpose it served because cameras did not record continuously – rather, they compiled a series of still pictures with short lag times.¹⁴¹ Thus, even when a thief was caught on camera the “gotcha” moment was often missed on the tape.

To make matters worse the output devices were cumbersome and difficult to use – in my ten years in WC I never learned to use them because the effort did not seem justified. Due to its functional limitations the system was rarely used as a surveillance tool by FLSWs in relation to suspected thieves let alone colleagues. I know of three occasions in a decade where colleagues went to the trouble of reviewing tapes to scrutinise co-worker behaviour. One was suspected of theft, another was suspected laziness and the last was suspected of closing the store to buy lunch. I was the “villain” in this latter case and the audio-visual equipment proved my “guilt” beyond reasonable doubt. As it turned out a contractual right to leave the store on a lunch break was no defence against unofficial rules that stipulated otherwise.

Setting aside contradictions between rights and rules, there was a general gap between monitoring and surveillance *in theory* and monitoring and surveillance *in practice*. The tools available to management in WC were similar to those of “bleak houses” described in Chapter Three but their limited functionality – when combined with the residual space to contest meanings and challenge interpretations – blunted their coercive edges. For example, FLSWs could credibly argue that “5* feedback” was skewed by several factors including gripes unconnected to their own performance, malicious trolling and low response rates.

¹⁴¹ Roughly one second.

Overall, there are few credible grounds to argue that monitoring and surveillance in WC rendered management (or customers) all-powerful and FLSWs powerless. Direct and bureaucratic control remained the primary instruments of management's power throughout the research period. Complementary instruments (as discussed in Chapter Six Part B) were intended to widen and deepen that power, but their effectiveness was limited by weaknesses in their design and implementation.

7.1.6. Other formal mechanisms for performance management

Appraisal

There was a pronounced gap between the importance attached to “people management” tools in management's rhetoric compared to reality. Starting with appraisals, I had only three formal appraisals in ten years which exemplified their marginal significance in WC. For many store managers (who shouldered the burden of appraising subordinates) they were a pointless exercise to be carried out only when subject to RM pressure, which was inconsistently applied. On numerous occasions I recall managers saying things like “*Oh God I've got to do X's appraisal;*” “*Daisy is on my back to do Y's appraisal;*” “*Doug says I've got to....*” *Etc.*

Store managers were the main exception; their status as “key staff” meant that their appraisals were carried out regularly. These were based on a traffic light system that graded managers as *green* (up to or exceeding expectations), *amber* (acceptable but room for improvement) or *red* (under-performance/improvement necessary) against role criteria. Many managers in Region X spoke of appraisals as being “*a joke*” (as one manager put it) because of the unforgiving way Doug Slazenger scored them during his seven-year stint as RM. As another store manager explained:

“It's all ambers and reds, there's hardly any greens. How's that supposed to motivate you?”

A handful of managers shared with me that they too felt demotivated by the exercise given Doug’s supposed penchant for cynical and negative scoring. The manager who made these remarks printed off his appraisal so I could share in his incredulity.¹⁴² He went on to say:

“You should see Jane’s [the manager of another store], hers has hardly any amber!”¹⁴³

When Daisy Bouchard became “coach” in Region X formal appraisals receded into the background as a conversation point. From that point onwards they were reframed around “Meritocracy” KPIs and managers adopted the view that appraisals would largely “take care of themselves” so long as they were “sailing” or “nailing”¹⁴⁴ (see Chapter Six Part B). Within this new appraisal framework FLSWs were rated 1-4 in relation to five constellations of Meritocracy-related performance characteristics (see Table 8). The mode¹⁴⁵ score was adopted as the FLSW’s overall score, with 4 being the highest and 1 being the lowest. Given that a new appraisal system was rolled out under a new RM, Daisy Bouchard took steps to ensure that every FLSW was subject to an appraisal – myself included. It would be my first formal appraisal in five years and my scores feature in the following Table.

Table 8: Researcher’s appraisal, 2016

CONSTELLATION	SCORE
Demonstrating the Wine Corp was of working	2
Be the customer champion	2
Be a savvy retailer	3
Use wine wizardry	3
Run a smooth operation	3
OVERALL SCORE	3

¹⁴² Visual inspection confirmed his claims.

¹⁴³ I was not able to confirm this.

¹⁴⁴ This was explained in interviews and shop floor discussions.

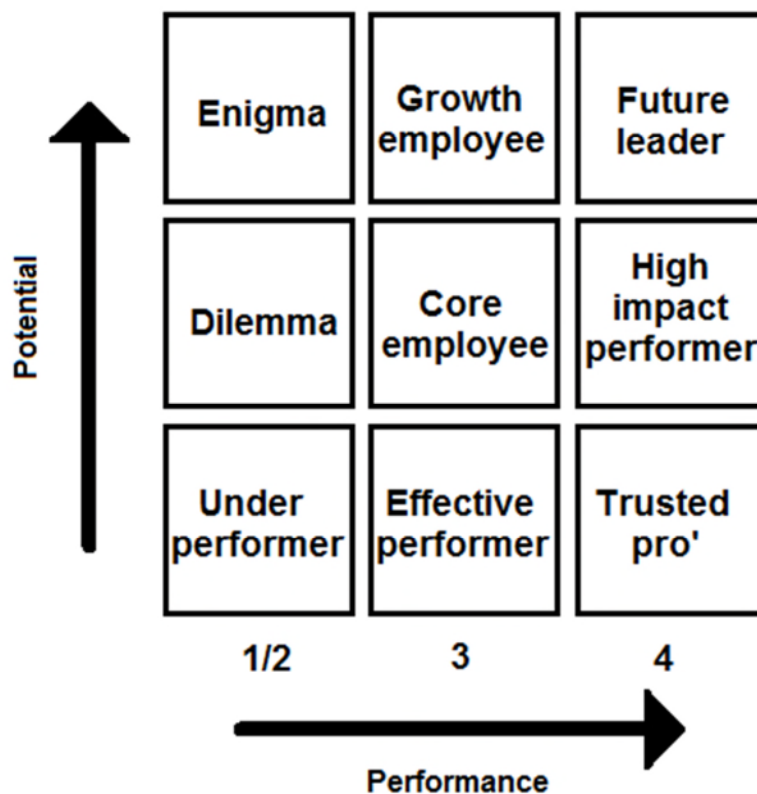
¹⁴⁵ The value that appears most often in a set of data values.

The FLSWs score *vis-à-vis* performance criteria would then be complemented by the store manager's view of your "potential" to assign a label from the matrix as featured in Figure 31. My own store manager labelled me an "effective performer," implying that I am competent albeit with limited potential. I took this as an affront but was not emotionally invested enough to challenge the verdict. I did share my views with an experienced co-worker though and he responded as follows:

"He did the same with me [attribute the lowest that was likely to go unchallenged] ... It's just a box ticking exercise, I don't give a shit."

Perhaps my lack of appraisals meant that I was not sufficiently inoculated from the "WC way" in this regard. I too found myself sharing the sense of demotivation that the store manager described in the aftermath of his above appraisal.

Figure 31: Appraisal matrix



Training

What training and routine appraisals had in common were that they were largely informal and *on-the-job* rather than formally conducted. The lion's share of knowledge and feedback that related to appraisal criteria (e.g. operational knowledge, production knowledge and cultural "*how it really works round here*") was transmitted normatively within day-to-day activities. There were "first day," "first week" and "first month" training checklists that incrementally sought to ensure that new entrants developed their knowhow of policy and procedures. Yet the bulk of their content could fairly be described as WC "common sense" so managers used them mainly to double-check that they have not missed anything significant in the routine transmission of know-how. There were also some internally and externally provided day courses that complemented induction; key examples included manual handling, product knowledge, driver training, and sales/customer service skills (from 2016 onwards).

In the aftermath of the induction phase FLSWs were expected to be proactive in developing their key skills, ideally in conjunction with store managers' guidance. An online training platform was rolled out in 2017 to provide the backbone for learning and development, and FLSWs were expected to use downtime to work their way through modular content. Within my home store these resources were rarely used in practice due to a lack of downtime, a lack of store manager support and/or a lack of interest amongst FLSWs themselves. On several occasions I witnessed the berating of co-workers by my store manager for failure to use these online resources. I also witnessed that same manager sabotaging their rare attempts to do so via constant interruptions and colonisations of their time.

There was general silence amongst FLSWs on the quality of the online training provisions, which I took to mean that colleagues either had not used them or did not regard them as noteworthy. In contrast, the manual handling course (and similar health and safety-related instruction) were often cynically discussed because management

pressures and/or inadequate resourcing were perceived as the main threat in these regards. One means of expressing this was mock-irony; for example, colleagues would often shout “HEALTH AND SAFETY” [as if parodying management’s voice] when they did something obviously unsafe or “*don’t try this at home*” if a customer is nearby. This satire appeared to play on the yawning gap between management speak and “*the [real] WC way.*”

Other formal training provisions were more positively embraced, especially the product knowledge sessions. This is perhaps unsurprising given that the organisation traditionally placed heavy emphasis on product affinity in FLSW recruitment. As for the customer skills course, those who attended referred to it as “interesting” and “useful” but failed to explain how or why upon questioning. The course was meant to be complemented by shop floor role plays which I did engage in twice (albeit in two years), once as server and once as customer. In the latter role I was required to ad lib one of several management-designated customer types (e.g., I was a new customer; I needed wine for a party; I did not know much about wine).

Given that formal training represented a fraction of a FLSW’s total formative engagement, it is fair to say that normative “*how we do it round here*” rules-of-thumb typically constituted guiding precedents. Store managers were especially important in this regard, setting the tone and acting as gatekeepers of practical real-world solutions. Unsure FLSW would often turn to more experienced colleagues and much of the learning was tacitly transmitted in these moments. As will be explored further in the next section, co-workers were key actors in shaping the negotiated orders that comes to constitute normality within stores.

Quality of life policies

From its early days WC’s management had plenty to say about their quality-of life (Q-of-L) policies. It may be recalled that James Smythe boasted “*we have certainly paid off a few graduate loans and financed a few new cars*” in relation to share options and

profit related pay (see Chapter Five). Other things that fell loosely within the marquee of quality-of-life offerings included the “living wage;” “free shares;” commuter-use of company vehicles and also, “free lunch Friday.” These things formed the basis of management’s claim to be a good employer and influential entities bought into it, including those who compiled “top graduate recruiter” lists.¹⁴⁶

The significance of these things to actual quality-of-life in WC was reflected in the fact that only 12% of its staff reported Q-of-L as a factor that made them want to stay in the company (the third *least* popular response in a survey – see Chapter Eight). This may be taken as indicative of FLSWs’ belief that such policies lacked substance (e.g. free shares¹⁴⁷), were tokenistic (e.g. Friday lunch¹⁴⁸), and/or failed to compensate for countervailing factors that damaged the Q-of-L proposition. Some of these have been explored in prior chapters (e.g. lone working, cover, staff shortages, antisocial hours) and others are detailed further in the next chapter (low pay by graduate standards and a “management problem”).

Another issue with these policies was management’s ability to abandon or modify them unilaterally. In my ten years with WC the mechanics of performance bonuses were tampered with so many times that it became pointless trying to keep up.¹⁴⁹ The spin was that “we want every store to make target” (the basis of bonus), but management’s endless tampering reflected a truer desire to keep bonuses within budget. This was self-evident because management constantly shifted the goal posts and introduced extra conditions when bonuses became too large or common (in their eyes that is, as occurred 2009-2013). Worse still, they occasionally changed the terms and conditions of bonus payments *after the fact* to avoid high payouts. On one memorable occasion Retail Director Ron Potter simply admitted “we’ve [management] spent too much elsewhere”

¹⁴⁶ WC has featured in many as discussed in Chapter Four.

¹⁴⁷ As a three day per week part-timer I was awarded 59 shares, pro rota. Ultimately I would have got £150-£250 if I stayed with the company for another three years, minus sales or transferal costs (i.e. to a share portfolio once the consideration matured).

¹⁴⁸ Management offered “free lunch Friday” to head off widespread grievances amongst FLSWs concerning the rolling free buffet at HQs. It was seen as tokenistic because a £4 budget for lunch one day per week hardly compares to the gourmet offering HQ staff enjoyed every day of their working week. It was also marketed internally as a “free *team* lunch,” which ignored the reality that teams could not share lunch together due to the design of the labour process.

¹⁴⁹ I asked numerous colleagues to explain the bonus system in “The Plan” era. Only one was able and willing to explain it in detail.

as justification for retroactive measures that reduced bonuses for FLSWs. Management also surrendered its “Living Wage” accreditation in 2018 when it became expedient for them to do so.

The only Q-of-L perks that were never taken away or diluted were the ones management did not bear the cost of: supplier tasting events and sales incentives. These were far more luxurious and generous than anything management countenanced, so it was hardly surprising that they were popular amongst FLSWs. As was described in Chapter Five, the monetary value of even short-haul incentive trips would have been in the low four figure range.¹⁵⁰ Tasting events could also be a taste of “the high life,” especially for FLSWs based near London where most events were held – either at upmarket restaurants or producers’ HQs. These were genuine treats but they were also a sizeable subsidy to management, in the sense that they provided enviable perks at nominal costs to the company. Obviously suppliers were not providing these things out of charity, but they did nonetheless provided for rarefied moments where FLSWs could feel special on account of their working for WC. Having attended numerous such events myself I recall comments along these lines of “I can’t believe they do all this for *us*.”

7.1.7. Resistance

One of the reasons that management introduced the “new plan” staffing model (see Chapter Six Part B) was that there was “too much downtime” as our Divisional Director put it. As it happened a character who features heavily in Chapter Eight [John] was an instigator in this diagnosis and the cost-control cycle that followed. A store manager described John’s role:

“I blame a lazy person [John] who got caught by [the Divisional Director]. He went into store and found them watching Netflix. I’ll watch something on YouTube on my 30-minute break and I will get back to work and always get the job done ... But this guy

¹⁵⁰ I base this estimate on feedback from colleagues on the specifics of their itineraries, accommodation and travel as well as my own incentive trip to the Champagne region.

was watching Netflix, you know, watching, doing a bit of stuff in the morning and then [watching Netflix] ... he got caught and he was very blasé about it because he was leaving the company so we know he was just in the job for the pay cheque.”

Regardless of John’s abuses, more conventional downtime and “play time” were essential for meaning construction and pleasure creation within FLSW – making management’s assault upon it troubling. Their significance was made clear in the nostalgic stories told by FLSWs about the “good old days,” which typically focused upon the exploitation of downtime. A small sample of utterances follows:

“Doug loves cricket ... we used to play in the stock room. Good times”

[Whilst putting the security shutters down] *“When Stephanie used to work here we used to have races ... you had to run to the [other] end of the store and get back [underneath the shutters] before they came down.”*

[In relation to a stock room squash game] *“When Keith was here we used to have proper tournaments, it was awesome, we got proper serious about it!”*

Figure 32 provides an overview of the types of social behaviour I was familiar with at store level (an annotated version features in the Appendix, Section 3). It is not an attempt to provide a comprehensive list; rather, it seeks to capture much of what was “normal” store behaviour. As can be seen I have divided up work-related social activities by virtue of whether they were “whiter than white” (acceptable and/or encouraged by management); “grey area” or “black and white” (indisputably against the rules). What could make WC a *relatively* fun place to work (as compared to archetypal

Taylorised “bleak houses” – see Chapter Three), was the grey area FLSWs had to play with. Management had long known this and generally refrained from trying to regulate “grey areas” too tightly because it was costly to do so. Of equal importance, management knew that plenty of room for manoeuvre was a requisite element of a high-service/functional-flexibility model. A fine line therefore existed between too much and too little control (as was argued in the LPT discussion in Chapter Two). Overstepping that line may prove costly for management whilst too little regulation may lead to unacceptable abuses such as those by John above.

Figure 32: The spectrum of store behaviours beyond core activities

SAFE ZONE	GREY AREAS	BLACK AND WHITE CROSSING THE LINE
"BREAKING SILENCE" <ul style="list-style-type: none"> * Company gossip * Wine & dine * Free time 	"KILLING TIME" <ul style="list-style-type: none"> * Stock room cricket * Stock room tennis * Netflix and lunch 	"TAKING TOO MUCH" <ul style="list-style-type: none"> * Pilfering * Skipping rent * Going AWOL
"PLAYING THE GAME" <ul style="list-style-type: none"> * Sales competitions * G+ * Extra special events 	"STICKIN' IT TO THE MAN" <ul style="list-style-type: none"> * Only staff are saints * Relocating blame 	"SPEAKING OUT" <ul style="list-style-type: none"> * Breaking the 4th wall * Truth to power
"ESCAPE PORN" <ul style="list-style-type: none"> * Holiday talk * Incentives talk * Meeting the makers * Industry events 	"TAKING LIBERTIES" <ul style="list-style-type: none"> * Running errands * Borrowing the van * Sweetening the deal * Little team bonuses 	"FIGHTING BACK" <ul style="list-style-type: none"> * Destruction of property * Customer abuse * Challenging dominance
	"PRIORITIES FIRST" <ul style="list-style-type: none"> * Rugby & cricket * Gigs * (External) social life 	

Historically then a negotiated order existed between management and FLSWs, with area managers functioning as the primary referees of where the lines were drawn. They too had been FLSWs, so were not naïve to the inevitability of staff “letting their hair down” on paid time. Most would want FLSWs to enjoy their work ideally so turned a blind eye to a lot of “grey area” behaviour so long as it did not create waves.¹⁵¹ Some of this

¹⁵¹ Doug Slazenger explained to me that the main thing he missed from shop floor life was “the banter.” LF’s regime regularly spoke the language of togetherness, community and “culture of fun” which was then echoed by RMs.

“grey area” behaviour was after all functional (e.g., “taking liberties”) in the sense that it was necessary for efficient work or deft service. The remainder was social and represented relatively harmless appropriations of time, energy and effort (as described by Ackroyd & Thompson, 1999) for the most part.

Black and white “crime” in WC stores (the black area in Figure 32) were born of the social and economic conditions as Mars (1982) anticipated with exceptional clarity. By far the most common cause of dismissal was theft, which is probably not revelatory in a company that hires “wine lovers” then provides them with plenty of opportunity to steal (see the limits of monitoring and surveillance above). I personally worked with three people who were dismissed for pilfering; in fact, one of those individuals was at the heart of the most widely renowned “wolf” heist in modern WC involving the “disappearance” of £20,000+ worth of stock. He and another reputed “seller” were put in charge of the company’s fine wine flagship in London. Such was the cultish ideology of “sellers” at the time that trustworthiness was seriously overlooked as a criterion for responsibility-bearing positions. Management paid a high price for this when the individuals in question took liberties with their elite stock holdings. A spate of dismissals followed the unveiling of the crime including two RMs.

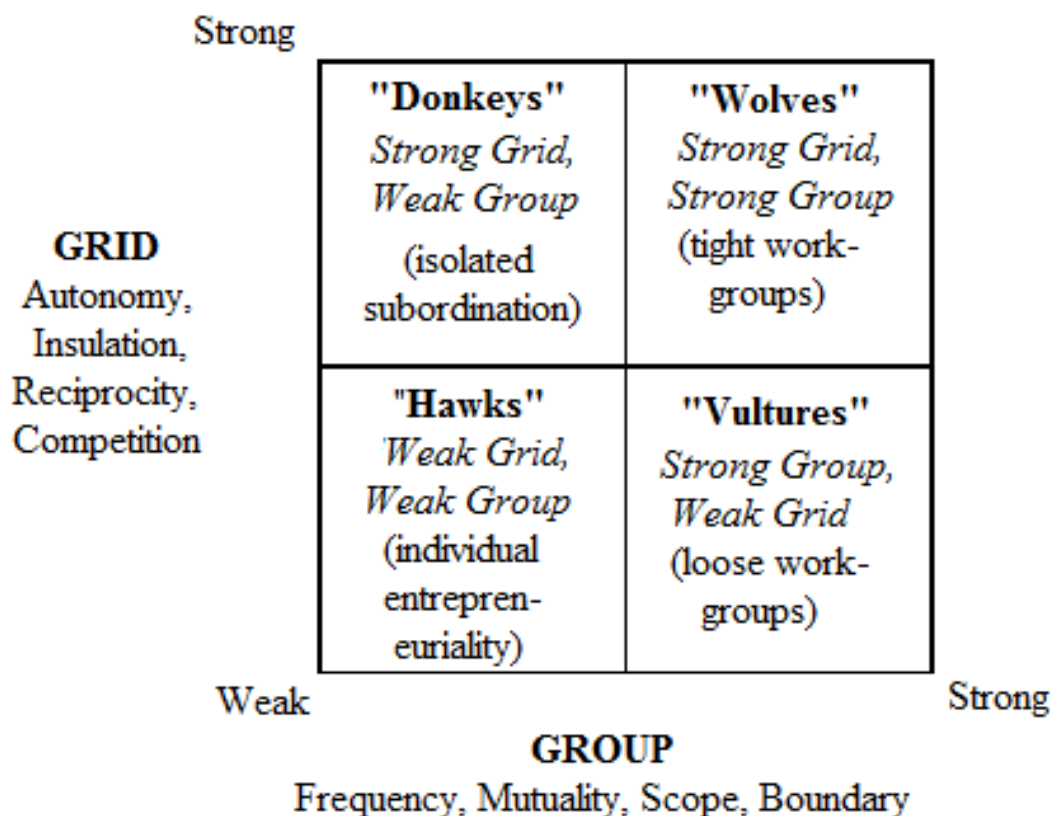
One of the more bizarre dismissals I heard about happened in the final year of the study. A manager I knew well had set up a business selling merchandise “on the side” within his store, thereby failing to pay the landlord’s (i.e. management’s) dues. What made this episode interesting was that it seemed like exactly the kind of “enterprise” that management were demanding. Nonetheless, his downfall stemmed from a failure to understand the unspoken logic of “Meritocracy” which was to boost the landlord’s return on assets not FLSW’s income. His assistant manager was sacked too, so I can only assume he was in on the caper.

Both of these examples exhibit a “wolf” type pattern of manager/assistant manager collusion in a “strong grid”/“strong group” store dynamic (see Figure 33). Without this, store crime (including darker shades of grey – see Figure 32) took on an individual vulture-type character. As a rule those with high company/regime commitment (elaborated upon in the following chapter) appeared least likely to abuse grey areas. Furthermore, those with high team commitment (“strong group” in Mars lexicon) were more likely to resist as part of a pack (“wolves”) rather than as individuals (“vultures”).

The latter was the case with my third known pilferer, who made the rookie's error of thinking he could get away with refunding bottles of wine he had bought without actually returning them.

A final rarer basis for dismissals in WC related to situations where FLSWs "fought back." It surprised me that such episodes did not happen more often given how stressful and unsupportive WC FLSW could be. It was possible that the company was effective at covering up episodes, which is exactly what happened in the serious one I know of. In said situation a FLSW "*lost it*" (according to my informant) and smashed up a portion of the store before walking out, leaving it unlocked and unprotected at the end of the day. I was told that damage was worth tens of thousands of pounds. For reasons stated I do not know how many of my co-workers "snapped" in similar ways during my time with the company. Fleming (2017) predicted that snapping was likely to become an increasingly common feature of "you're in your own" neo-liberal managerialism. My experience within WC led me to believe that he will be proven right, even if the evidence produced few examples.

Figure 33: Mars' "grid" and "group" to classify occupations



Section Two: Labour process

7.2.1. Skill and intensity

As was explained in Chapter Five the “graduate scheme” system was justified in relation to the breadth of skills required rather than the depth of skills. “*Everybody does everything*” functioned upon the basis of an ability and willingness amongst FLSWs to enact relatively boundary-less roles, switching rapidly between operational, sales, service, clerical and administrative tasks. Boundaries were also blurry in terms of store ranks, as there was little difference between the tasks and functions performed by FLSWMs and other FLSWs. Customers would often assume that the “senior-looking” FLSW was the manager, only to then realise that they had made false assumptions. Another reason for this was that veteran FLSWs were often deferred to by less confident managers and assistant managers, reflecting gaps between official and unofficial hierarchy as has been found elsewhere (see for example Dalton, 1959).

In a “big four” supermarket I am familiar with FLSWs are referred to as “multi-skilled” if they are trained to work across two or more departments leading to small hourly rate premiums, presumably on account of their capacity to contribute more to the organisation. Staff can also gain additional pay increments by adding non-departmental skills to their portfolio by becoming a first-aider for example. In WC every FLSW is expected to be omni-skilled so that they may cover every “department” (wines, spirits, beers, lagers, ciders) and function (under the umbrellas “operational” and “commercial.”) Thus within WC FLSW, both horizontal and vertical role distinctions are eroded by the labour process design.

Regardless, several factors did distort the system of functional flexibility in practice. Firstly, it takes time for new recruits to become core members of store teams. In their first few months fledglings would often represent more of a problem than a solution for experienced colleagues, who would have to add “babysitting” to their list of responsibilities. As will be explored in the next section this led to divisions of labour that failed to fully reflect the “everybody does everything” principle. Another distorting

factor was the need to make allowances for individual strengths and weaknesses which intersected with the nature and degree of FLSWs' commitment (as explored in Chapter Eight). This not only impacted upon how individuals worked and stacked priorities but also shaped the experience of work for colleagues.

Perhaps the biggest distorting factor that arose throughout my WC journey though was the decision of the LF regime to partially disband the classic WC staffing model in pursuit of a cheaper alternative. A by-product of this programme was a need amongst management to reconstitute part-timers as *core* team members, whereas traditionally full-timers considered them *peripheral* "extra help" rather than viable and realistic substitute managers. This level of expectation was applied to assistant managers and experienced trainees within the "classic model" but not part-timers, who were generally expected to drive the van and contribute to "monkey work" (e.g. cleaning and merchandising).

Even though this division "naturally" occurred in almost every store I worked in,¹⁵² management insisted at the roll-out of the "2+2 model" (two full-timers/two-part timers – see Chapter Six Part B) that part-timers could and would match the performance of full-time graduates. This new management line stood on its head the old management line that "*it's graduate work*" and "coaches" were soon contradicting the gospel of yesteryear. As Daisy Bouchard revealed to me in an interview "*we expect part-timers to do everything.*" When I asked her if it is realistic to expect part-timers to perform as well as trainees she simply responded "*yes, I don't see why not.*"

One of the reasons management believed their system would work as expected was because they were making FLSW "easier" according to their rhetoric and grand plan (see Appendix Section 2). In some instances this was true; for example, "web order manager" had made processing and dealing with online orders more time-efficient. In other areas though their actions only made the job more difficult. To take two important examples, the new-era price tickets (aka "POS") contained substantially less information – meaning that inexperienced staff could no longer rely upon them to sell.

¹⁵² During my ten years in WC I worked in 33 of roughly 200 stores.

Old POS provided a “cheat sheet” of key information about the wines that could be scanned and regurgitated in sales encounters (see Figure 34), whereas new POS lacked this essential feature. Quality information was replaced by “culture of fun” staff comments, such as a celebrated and high status Chateauneuf-du-Pape being described as “Del Boy’s favourite wine” with no additional information. Another talked about the dancing of Fred Astaire to describe a Rioja, which was of little practical use in a sales pitch.

Figure 34: Old Point of Sales (POS)



Another example was the new till system once it was finally rolled out in 2018 (discussed further in Chapter Nine). In functional terms it was considerably less adequate than the prior EPOS system and it was much less intuitive. Working with it effectively required more practice and experience than the old till and to make matters worse, FLSWs had to be trained to use both systems due to continued dependence upon old EPOS for more sophisticated requirements.¹⁵³ An anticipated two-year transition meant that new recruits would have to learn to use both till systems in pursuit of competence across the full spectrum of operational, sales and service activities.

¹⁵³ Old EPOS was loaded onto store computers, which sat side-by-side tills loaded with new EPOS.

The predictable consequence of management's actions was to entrench rather than retract pre-existing divisions of labour between core (full-timers or former full-timers) and periphery (part-timers) FLSWs in stores. I neither observed nor heard of convincing evidence of the part-timer "upskilling" that management assumed would occur, perhaps by necessity. In fact, remaining full-timers had to make do with a smaller core team member and intensification was the inevitable outcome.¹⁵⁴

Thus, it became harder to be a fully competent and fully immersed functionally flexible team member as time progressed in WC. This made it more practicable to retain traditional divides between core-workers ("everybody does everything") and peripheral workers (specialising in the bits that are easily trainable; more repetitive, etc.) A belief that part-timers could ever develop skill commensurate to that of experienced full-timers stretched credibility, to a point at which it could be labelled "*management make-believe*" in my view. This term refers to management's propensity to espouse belief in convenient "truths" (as discussed further in Chapter Nine).

As Chapter Five made clear, the classic-era answer to staffing the front-line was to exclusively hire full-time graduates. This was driven by the belief that the labour process necessitated a broad range of skills and motivation to develop those skills. Wine is after all a sophisticated product with inexhaustible scope for knowledge development. I personally compared/contrasted something in the region of 3,000 wines during my time in WC, providing a body of knowledge that could not easily be faked. WC veterans could "spot a fake a mile away," leading to numerous in-jokes at customer's expense:

"Guy last night was saying he loves rich full-bodied wines. His favourite is Beaujolais."

¹⁵⁴ Virtual Post-box comments showed this to be a general interpretation as well as my own – see Chapter Six.

“Had a customer in giving it the big one about pinot noirs, saying he’d tried all the big boy shit ... Didn’t even know Burgundy is pinot noir.”

It took years rather than weeks or months to *master* the FLSW role in WC, rather than being merely able to cope (which was achievable in the latter time frame). Hence there was some legitimacy in the classic WC model of a “graduate scheme” based upon a vision of skilled work being performed by functionally-flexible FLSWs.

7.2.2. Discretion

As was made clear in Chapters Five and Six WC FLSW was not designed to be easy; it was designed to make an alternative business model viable based upon a quality orientation. What I mean by this is that WC focussed on one product category within supermarkets’ vast portfolio and sought to do it better, via service “value-added” and a concentration upon the “quality-value” niche. To successfully capture this “middle ground” (i.e., better quality products, expertise-driven service and superior pound-for-pound values on wines between £7-£20) required compromises between control over and freedom for FLSWs. This related to the customer interface in particular, as tight performative constraints were incompatible with the variability and indeterminacy of customers’ wants and needs.

Given the difficulties of directly controlling FLSW behaviour within a retail multiple with such a business model, management used tangible metrics as a proxy. The implicit and explicit belief was that if the numbers were good then FLSW was probably being done “the WC way.” As implied above when I joined WC the rule-of-thumb was that if you exceeded monthly target (set as x% of last year’s sales), kept shrinkage below management’s threshold and avoided getting customer complaints then peaceful relations with management were likely. Management did not especially care *how* you met your numbers so long as you did so consistently. Failure to do so meant there “*must*

be a problem” as one RM explained to me. By this he meant a problem with the store team’s performance.

Therefore, as was highlighted at the outset FLSW in WC was never easy but it could be *easier* if a team had the ability, willingness and/or good fortune to meet the basic requirements of keeping management off your back. This did not necessarily afford teams any more control over work conditions but it did provide breathing space from the watchful eye of senior managers. One might see the RM once a month rather than once a week for example, so the direct surveillance was at least less intensive. As said the assumption was that if the numbers were good then you were “getting it right;” the flipside was that if the numbers were bad then the team must be “getting it wrong.”

These findings clearly correspond with those of Grugulis et al. (2010) and Lloyd & Payne (2014), who each remarked upon a substantial gap between outlet manager’s power over performance and accountability for it. In both cases “numbers” (i.e., sales targets of management’s choosing) were a means by which management pursued alignment between expectations and unit performances. However, neither of these studies presented a cyclical picture of management’s application and retraction of micro-management as was evident in WC (see Chapters Six and Nine). Both WC regimes went through cycles of *relative* empowerment (i.e., higher staff budgets, more store investment and more pluralistic relations) and *relative* disempowerment (tightening purse strings and/or attempts at governing qualitative role performance in store).

Another significant distinction between the FLSW in WC and the sites upon which Grugulis and Lloyd & Payne focused on was the centrality of proactive selling and the free hand WC FLSWs enjoyed in doing so. This was an important area of discretion because of the heterogeneous nature of customer demands and the business logic of “selling” expertise as discussed above. To underline the significance of this within the business model, LF’s regime opted to put “wine guru” on the name badges of veterans rather than store ranks (thereby adding to the confusion over who’s who hierarchically as described). Unlike supermarkets (Grugulis et al., 2010) and cafes (Lloyd & Payne,

2014) WC sold between 800-1000 highly similar products; each of which are prone to offending some and pleasuring others. If Tesco sold sixty varieties of corn flakes or Costa sold eighty varieties of latte, then one can imagine the kind of anxiety that may ensue amongst customers without independent expert guidance. In relation, there would be considerable scope for customer dissatisfaction if management began trying to micro-manage which latte or corn flakes were sold for the sake of better margins. Such micro-management would be blind to individual tastes and an affront to a business model that sells staff's independence and expertise.

Despite this, both WC regimes described in the present study ultimately came to a point at which they were willing to undermine their business model in pursuit of better short-term numbers. Both regimes commenced or intensified control mechanisms in order to manipulate sales recommendations. As was evident in Figure 20, senior management had traditionally applied pressure through RMs (who used sales data from EPOS) to ensure that "deals" were sold over and above other products in the range. RMs would also use things like league tables and prizes to incentivise the prioritisation of such products. More recently, LF's regime took sales manipulation to a whole new level by making targets for the sale of "exclusive" products (with higher margins across the board) a central component of "Meritocracy." Irrespective of the mechanism the intent was the same: to pressure FLSWs to sell the most profitable and commercially advantageous products rather than their personal preferences, thereby undermining a distinguishing area of autonomy and discretion in the process.

In retrospect, there are solid reasons to argue that WC FLSWs had greater discretion than FLSWs in the case studies I am using for comparison. The centrality of pro-active selling, product knowledge and a quality-service proposition meant that there was always a "business case" that WC FLSWs could call upon to justify actions contrary to management's inflexible targets. Management's contradictory logics and demands could also be used against them. For example, if I were to argue that "I sold X (low margin) wine instead of Y (high margin) wine because that's the one the customer loved" this would be difficult to challenge, given its alignment with management's own rhetoric. It was also difficult for them to disprove my claim that the customer loved that wine, although actually it may have been the case that I sold whatever I preferred.

Section Three: Co-worker and customer relations

7.3.1. Working with colleagues

Team composition

Store turnover varied in WC, between circa-700k per annum and a handful of flagships which had taking upwards of £3m. In principle staff hours per store increased in proportion with unit profitability which largely reflected turnover. Some stores could be more profitable than others though despite similar turnovers; for example, stores driven by commercial trade may sell low-margin products in higher quantities than other stores where sales are driven by wealthy residential catchments.

The aggregate profit of a region formed the basis of RMs' staff budgets and they had the power to determine staff allocations per store. This is not to say that they had a free hand however; their decisions would have to be justifiable in the eyes of their superordinates and defensible to store managers too. The latter would make their feelings known to RMs if they felt their store was unfairly staffed relative to others. The following colleague remarks captured the nature of these gripes:

"I don't understand how Vale is on three all the time when they take three hundred grand [a year] less than us."

"Why have [a store not featuring in the study] got a part time driver and we haven't even though we take the same money."

“We’re covering Green Bush all the time ... putting us on one and a half [full-timer + a part time] and them on two. How is it our fault they can’t manager their rotas?”

Another limiting factor upon RMs’ staff allocation was legacy effects, for want of a better term. RMs would inherit regions that may have pre-existing “irrational” staff allocations for a variety of reasons. For example, to keep a valued FLSW in the company a RM may have introduced ad-hoc accommodating arrangements that then bind their successors. The latter would have to work around the budgetary implications because it was neither possible nor desirable to terminate a contract of employment because it disrupted ideal profit/staff budget ratios.

Caveats aside there were relatively standard norms for staff allocation based upon revenue and profitability. In Table 9 I have laid out standard team compositions for stores in Region X:

Table 9: Store staff allocation by turnover

Turnover per annum	Typical staff allocation
<£0.9m	3 full-time staff members
£0.9m-1.3m	3 full-timers + 1 part-timer
£1.3-£1.6m	4 full timers <i>or</i> 3 full-timers + 2 part-timers
£1.6m-£2m	4 full-timers + 2 part-timers

The standard part-time contract was fixed for sixteen or twenty-four hours per week (two or three eight hour shifts respectively), whereas full-timers were contracted for forty-eight hours. It was left to store managers to plan rotas on a monthly basis, to book holidays and so forth. In the classic WC era RMs and RMAs¹⁵⁵ closely monitored these and challenged managers on decisions where appropriate and necessary. The guiding

¹⁵⁵ As a reminder: Regional Manager's Assistant.

principle was “commercial interest,” which meant matching up staff numbers to the likely volume of trade on given days. Thursday, Friday and Saturday were the key trading days in WC.

In this brief outline I have assumed “normal” conditions but as Chapter Six made clear conditions were often “abnormal” in WC for extended periods of time. During the cost-control cycles (described earlier) staff allocations were cut back to the bare minimum, leaving skeleton crews staffing regions. During such periods teams as represented on paper could bear little relation to that which took to shop floor on a regular basis. “Cover” (see Chapter Six) and other makeshift practices were used by RMs to keep regions afloat in times of scarcity. One such practice was to pile pressure upon part-timers to do overtime, potentially upsetting delicate balances they have with other activities.

Nonetheless, when LF imposed “Meritocracy” upon WC stores it had two key implications. The first was that the cover system was effectively abolished. This was a double edge-sword because whilst it meant that a given store would no longer be burdened with supplying cover, it also meant that it was not available when that store needed it. Put simply you were *on your own* – management were no longer going to help with staff shortfalls even though their policies were driving them. In relation, the second implication was that this “empowerment” came with a 10% budget cut across all stores. As was described in the previous chapter, this effectively ended the WC system of full-time functional flexibility across the store network. Stores with turnover <£1.2m would lose their full-time trainee and get two part-timers in their stead, engendering a sixteen hours per-week net loss. Mid-sized stores may keep their core team of three full-timers but would lose either a part-timer contract or have their forth full-timer replaced by a part-timer. The same basic approach was applied to large stores irrespective of profitability.

Normative division of labour: sub-specialising generalists

It has explained above that a key principle upon which WC operated was functional flexibility, whereby “everybody does everything.” Whilst this was accurate to a large extent it was more complicated upon close inspection, as discussed in Section 2 above. To further that discussion I would argue that another important aspect of how principle differed from practice was economic rationalism. To take a basic illustration, the company regularly distributed videos and publications which management requested all team members watch/read. Assuming that a video lasts for 15 minutes and there are 4 team members then the total time cost would be one hour, which is a high price to pay during busy seasons or understaffing. In such circumstances it becomes logical for a store manager to watch said video and distil key points, thereby reducing the staff cost from one hour to perhaps half that. Applying this principle across the panoply of similar HQ requirements saves days of staff hours over the course of a year, freeing up time for higher priorities.

Another key factor determining the division of labour within store was the amount of time that given staff members spent in the customer service/sales trench (further points on normative FLSW relations are developed in Chapter Eight). When it comes to sales and service practice did make perfect to some extent, meaning that all other factors even store managers provided the best experience for customers. Some of this was capitalising on experience; bearing in mind that training generally went hand-in-hand with rank and years of service. Importantly though, store managers also spend much more time in store than junior colleagues because deliveries were normally done by the lowest ranked team member present. That meant that part-timers, trainees and to a lesser extent assistant managers did a lot of deliveries whereas store managers rarely left the site.

As a part-timer I worked two days per week and spend approximately half of that time doing deliveries, meaning that I got about eight hours of store time per week compared to forty-eight hours for a store manager. This has multiple implications; firstly, my product knowledge could not realistically keep up with a store manager because he/she has vastly more store time to learn about products. It should be noted too that part-timers worked the busiest shifts, further reducing the likelihood of engaging in non-core activities. Secondly, I could build personal relationships with regular customers in the

way that managers could because that depended upon accumulating familiarity. Thirdly, my lack of time in store made me less efficient at running the store because I was least in the loop on relevant matters. Thus, it made sense for the manager to take lead on service provision and operational oversight because they were structurally in the best position to do so.

Once these factors are fed into an analysis of how best to contribute on an individual-basis it becomes apparent that sub-specialisation made sense. Managers were at such a strong comparative advantage in certain areas that it was actually in the best interest of overall performance to let them dominate those areas, stepping into their shoes only when necessary or requested. Typically the manager would take lead if a customer walks in, not because others eschew responsibility but because they were reflexively aware of the shared benefits. In light of this each store has a negotiated customer serving pecking order, albeit one that can be distorted by numerous situational and individual factors on a given day (e.g. the manager needs you to “handle customers” for X, Z or Y reason).

If manager activity coalesced around the higher value-added activities because of the comparative advantages their position afforded, then it made sense for less senior staff to focus their attention on activities that managers necessarily neglected. It was therefore typical for the latter to predominate in janitorial, merchandising and basic clerical duties as well as operational tasks. Team dynamics thus represented a microcosm of Ricardo’s (1817) theory of comparative advantage, where he argued that specialisation offered an increase in total production due to relative opportunity costs. Applying his terminology to WC stores, a store manager had an absolute advantage over all major facets of WC FLSW whereas a junior FLSW had a comparative advantage over more menial and manual elements. In theory and practice a division of labour organised around relative advantages was the most logical approach in terms of resource allocation, which largely explains why such patterns formed. I am assuming here that teams worked well together and avoided sabotage by a “loose cannon,” a subject for Chapter Eight.

Sitting alongside management's fundamental right to manage (which was never seriously or collectively contested in my ten years in WC¹⁵⁶) were two things that were central to both cooperation and conflict. These were a negotiated order which represented the "unwritten rules" of how work is performed and by who, as described above. This existed alongside a rolling antagonism over fair and unfair, right and wrong. Some elements of a store's negotiated order were unique to it whereas others appeared to be company-wide. The general principle of "everyone does everything" (at least amongst experienced full-timers) is an example of the latter. An example of the former was a mutual acceptance in one of my stores that the "drop" (the main stock replenishment from the depot) had to "go away" (be merchandised into respective sections) in a single day because there was literally no backspace. As a consequence, pallets blocked the shop floor until they were merchandised making the store experience unpleasant for FLSWs and customers alike. To achieve this the team would spend the prior days excavating "gaps" in respective sections (see Figures 17-19), greatly increasing merchandising efficiency once the drop arrived.

Store managers were essential to the enforcement and reinforcement of a given store's negotiated order, but its component parts gained additional legitimacy from clear associations with operational and commercial imperatives. In the above example, making the drop "go away" within a single shift made sense operationally because it was difficult to operate at all with blocked walkways. As for the commercial logic, if it annoyed staff to have an inoperable store then it was reasonable to assume it annoyed customers as well.

Of course, operational and commercial factors were not the sole basis of legitimacy applying to negotiated orders within stores. FLSWs also made recourse to arguments based upon fairness and reasonableness. If in the outlined example the same FLSW was permanently on the rota on "drop day" whilst the manager took it as a standard day off, then the unfairness of the arrangement may become a source of conflict. In one of my

¹⁵⁶ Considered further in Chapter Nine.

stores the manager did so happen to have an uncanny knack for scheduling their days off on operationally significant days (e.g. stock takes, large drops, seasonal price changes¹⁵⁷). This bred much resentment amongst co-workers who felt “stitched up,” to use a popular staff term.

In recent years a primary basis of in-store conflict in otherwise cordial teams has boiled down to the aptness and fairness of divisions of labour amongst full-timers versus part-timers. As was described above the restructuring of staff allocations acted as a powerful lever to intensify full-timer’s work. Those tasks that typically fell upon the shoulder of full-time veterans had to be spread across fewer people whilst the barriers to “upskilling” part-timers arguably increased. Managers and assistant managers would grow frustrated with the inability of part-timers to “fully contribute,” whilst at the same time feeling that the marginal gains of providing advanced training were exceeded by the marginal costs. This was partly due to a feeling that part-timers would forget much of what they had been taught due to their lack of daily skill utilisation, speaking to the truism “*use it or lose it.*” It was also down to a widespread belief that part-timers were not as committed as full-timers, presumably because WC is not their primary commitment and/or sole source of income.

Within Region X part-timers fell into three categories: early retirees (who joined the company for “pocket money” or a “hobby job”); parents seeking “flexible” work and/or those who were using WC as a “second job” alongside an alternate primary vocation (see Table 10 for demographic data). Given the relatively detached nature of these situations store managers carried a common conviction that “*you can’t expect them to be as committed as trainees*” (as I was told in various guises). However, this was not to say that core full-timers did not resent the supposed inequality of commitment. It was expressed via constant rhetorical pressure upon part-timers to contribute more or equally, in spite of the mutual recognition of their inability to do so. In my home store this led to considerable back-stabbing and name calling, which expressed grievances on both sides of the full-time/part-time divide. Full-timers felt they needed a full-timer’s contribution from part-timers, whereas part-timers countered that “*you can’t expect full time effort for part-time pay*” (or words to that effect). Again, these tussles reflected

¹⁵⁷ A detailed outline of operational work in WC stores features in Appendix Section 6.

how contestation over fairness and reasonableness laid at the heart of store team conflict. It was also possible that a generational divide existed between the full-time core and part-time periphery actors, given that many of the part-timers were early retirees as said. Contrary to that, the data yielded little evidence that age *per se* was a factor in shaping labour division in stores.

Table 10: Permanent staff in primary research sites

STORE	ROLE	AGE	GENDER (M/F)	ETHNICITY	FORMER FULL- TIME? YES/NO
Pear Tree	Manager	30-34	M	White-British (W-B)	
	Assistant manager	25-29	M	W-B	
	Trainee manager	25-29	F	W-B	
	Trainee manager	20-24	M	W-B	
	P/t sales assistant	60-64	M	W-B	N
	P/t driver	55-59	M	W-B	N
Canalside	Manager	35-39	M	W-B	
	Assistant manager	25-29	F	W-B	
	P/t sales assistant	45-49	M	W-B	Y
	P/t sales assistant	35-39	M	W-B	Y
	P/t driver	55-59	M	W-B	N
Edgewold	Manager	25-29	F	W-B	
	Assistant manager	25-29	M	W-B	
	Trainee manager	25-29	F	W-B	
	Trainee manager	25-29	F	W-B	
	P/t driver	55-59	M	W-B	N
Green Bush	Manager	25-29	M	W-B	
	Assistant manager	25-29	M	W-B	
	Trainee manager	25-29	F	W-B	
	P/t driver	55-59	M	W-B	N
Oak Leaf	Manager	30-34	M	W-B	
	Assistant manager	25-29	F	W-B	

	P/t sales assistant	30-34	F	W-B	Y
	P/t sales assistant	25-29	F	W-B	Y
	P/t driver	60-64	M	W-B	N
Vale	Manager	25-29	M	W-B	
	Assistant manager	25-29	M	W-B	
	P/t sales assistant	45-49	F	W-B	No
	P/t sales assistant	50-54	M	W-B	No

The second key basis of conflict occurred where one or more individuals within a team appeared to others as serial offenders in terms of the written and/or unwritten rules of FLSW in WC. Formal breaches of rules included such things as repeated lateness, unjustifiable failure to execute and sustain “non-negotiables” and/or failures to adhere to company policies that subsequently incurred loss. These things may lead to the exercise of formal disciplinary mechanisms but more often they led to off-the-record reprimands by hierarchical superiors, normally phrased as “*make sure you do [X]*” or “*next time don’t do [Y].*”

In most instances transgressions would be forgotten and social relations would be unaffected long-term, but in cases of serial offenders escalation could occur. In my first store I was effectively frozen out of store relations, treated as a marginal outsider and made to feel unwelcome in my workplace. Whether intended or otherwise this social marginalisation functioned as a means of punishing me as a supposed repeat offender (I took too long on deliveries and was “*not pulling [my] weight*” according to my accusers). This was underlined by a bad appraisal (one of my three in the company) and a “talking to” by the RM, showing how official and unofficial corrective mechanisms acted in tandem to isolate and incriminate an alleged offender. This all made for a lonely experience where I felt victimised within a toxic store environment. Over the years I watched numerous others go through similar processes of isolation and oppression via formal and informal mechanisms. Some stayed and fought¹⁵⁸ but most

¹⁵⁸ Two managers I knew of refused to leave despite intense pressure from management. In one case the manager’s team had subjected him to the marginalisation process described. Both managers were eventually forced out via the “three strikes and you’re out” formal disciplinary process.

moved on either or externally or internally. I opted for the latter, starting over in a new region of the company.

Perhaps the most serious challenge a FLSW team could confront was one in which the store management *was* the serial offender. Not only were they protected by the structural power their position afforded but often they also enjoyed the patronage of their RM, who may be reluctant to accept that they had elevated someone unfit for the role. In such situations subordinates could feel trapped at the bottom of a power structure that lacked for adequate checks and balances. In my final years in WC the team in my home store was subject to this very experience (as discussed further in Section 8.4.3). Resigned acceptance was the main response in the circumstances, even as resentment and tension simmered barely beneath the surface.

7.3.2. Worker-customer relations

Although the “new plan” had several dimensions (see Chapter Six Part B), “5* service” was posited as the lynchpin factor that would drive growth in the age of “Meritocracy.” By management’s rationale stores that consistently offered 5* service would attain customer loyalty, which would feed into a positive spiral that lifted the bottom line. The significance attached to 5* service is made clear in the following exchange which related to a store in long-term decline within Region X:

M.J: *“If I was to go in for the manager’s job [at the store in long-term decline] I would make it clear that I need 18 months to turn it around.”*

Store manager: *“Well you wouldn’t get the job!! Customer service is all they want to hear about now, it’s the only game in town.”*

Throughout 2017 it became clear that “culture change” around the “new plan” was being imposed, with all of management’s levers (see Figures 45-48, Chapter Nine) being manoeuvred in supportive directions. The cult of sales during the DM/Doug Slazenger era (see Chapter Six) was rapidly being substituted for a cult of “great service,” to which all should be subservient and devoted according to management. A principal channel of ideological indoctrination was LF’s community on G+, which served as a mechanism to spread his gospel directly amongst the troops. On one occasion a colleague called my attention to one such post that summed up the general tone. The exchange is summarised here:

Colleague: *“did you see that posting by LF about the customer bringing the bottle back?”*

M.J: *“No.”*

Colleague: *“Basically a customer said he didn’t like it. What LF said he would have done [in the scenario] is give the customer a bottle [of fine wine] and tell him “have that free on us – I bet you’ll like that.” Can you imagine if we did that every time a customer was unhappy?!”*

Having perused LF’s G+ feed it was clear that this type of guidance was commonplace. LF seemed to regard every instance of dissatisfaction as a unique opportunity to garner loyalty by exceeding remedial expectations. Typically the advocated means was an exaggerated gesture of goodwill, thereby putting PR ahead of bottom line. The assumption that this would pay dividends in the long-term was difficult to validate but the immediate cost was a hit to stores’ GP (which FLSWs were solely responsible for in the age of “Meritocracy”). Consequently, many FLSWs felt it was easy for LF to talk a good game because he had absolved himself of responsibility for balancing contradictory demands in actual frontline encounters.

Nonetheless, the majority of FLSWs generally supported a policy of putting service front-and-centre because they favoured that type of orientation over the macho sales ethos of the previous regime. Furthermore, FLSWs were aware of the abundance of competitive pressures and agreed that taking the high road was a more desirable option. Whether and how the strategy of service exceptionalism could be made viable was hotly debated though, in part because countless customer engagements had made FLSWs aware of the delicate balance to be struck between price and service/product quality. This sense of uncertainty was apparent in the following debate:

M.J: *“Can you explain to me the current strategy of the company?”*

Interviewee 1: “The logic at the moment is loyalty. And loyalty will breed success and everything is geared up to try and create a loyal customer base ... it’s all to do with service. All they want to do at the moment is get us to give a fantastic service, get people to come back. I see flaws in it ... I think for me if I’m a customer buying wine ... just because WC are fantastic service I’m still going to go to a supermarket if it’s a pound, two pounds a bottle cheaper. But as a company it’s all loyalty at the moment.”

Interviewee 2: “I disagree with certain points of that. As a consumer myself I think service is important and I would pay more sometimes to go somewhere and for a specialist product – I would go somewhere and pay more for the advice and the service.”

Interviewee 1: “My counter to that would be that for WC to grow I think they need to grow their customer base. I think at the moment we specifically target the upper middle class and a lot of the population that drink wine will not fall into the class

boundaries that we target. And if we're to grab more of the market we need to start going after people ... who are at the lower end kind of price of wine ... those people they don't care about service, they just want to pick up a cheap bottle. And we don't have the prices to attract those people in so we're never going to grow over the supermarkets for that long."

Interviewee 2: *"WC aren't going to beat supermarkets in price [and] supermarkets can afford to run things at a loss. All we've got is service to make them come back to us. So I do think that it's right that we should be targeting that."*

Ever since the fall of the DM regime a healthy internal debate has ensued about what kind of company WC should be. As was outlined in Chapter Five WC's original business plan was to target the well-heeled middle classes as Interviewee 1 identifies, with a customised service/product quality proposition that bridged the best of both worlds between volume sellers and elite merchants. Once a foothold was established in the wealthiest part of the country the model was extended to other pockets of affluence – a pattern that sustained sales and profit growth for 21 years up to FY2013. However, from that point onwards it grew clear that the model had ran its course as a means of increasing shareholder value. Management's "doubling down" (by growing into ever more marginal terrains) and squeezing costs (to sustain profits) only exacerbated a "crisis" that received significant press coverage. The culmination of these factors led to the radical changes as described in Chapter Six, where the old guard was swept out and a "rock star CEO" was lured.

That crisis did not go unnoticed by FLSWs, far from it – the more astute amongst them saw the "writing on the wall" for the DM regime long before the business press caught up. Their daily experience told a story of declining health even as headline metrics moved upwards. It was against this backdrop that a new regime was warmly embraced because it might be possible to finally have an open and sensible debate about the big questions of WC's surviving and thriving. Who should WC target and serve? Should it

be a specialist or a generalist? Is the target market “*anyone who will listen*” (as coach Daisy Bouchard put it) or a select demographic as per custom? Equally, are customers essentially the same in what they want from a wine shop or are they different? If so, then how can a workable balance be struck between tailoring and standardising?

To some extent management’s decision to focus upon “exceptional service” circumvented a requirement to make difficult decisions about the basic proposition and the challenges of catering to stratified, “fragmented” markets (see Du Gay – Chapter Two). Instead they adopted an “*if we build it they will come*”¹⁵⁹ (and keep coming back) logic centring upon fun, thrills and a feeling of belonging. The mantra coming out of HQ was that “boring retail is dead,” so the only means of survival is to become the opposite. In an interview with a leading trade journal WC’s customer director Ron Potter clarified management’s view:

“We’ve got an opportunity. Wine is such an exciting product ... the experience we are giving in stores, opening wines, letting you taste wines, that community feel when you come in, that will never be boring, that will never be dead... We need to make sure our stores are worth visiting. With any retailer, the ones that are popping up, they are fun stores to be in, they are doing something. It has to be experiential, otherwise why bother leaving your sofa?”

Whilst all of this may have held intuitive appeal it nonetheless begged questions like what exactly does “fun” and “experiential” look like? Is it reasonable to assume that customers are a homogenous group with the same basic understanding of “fun” or is it more credible to consider them idiosyncratic, holding myriad views of what “great service” is and whether it is worth paying extra for? Along these lines two binary perspectives came to the fore in WC, with management holding one view and FLSW’s generally holding the other. For management customers were basically the same: they all want great service (fun, excitement, non-boring); they all want great value (i.e. to

¹⁵⁹ *Field of Dreams*, 1989 [film]. Directed by Robinson, P. USA: Universal Pictures.

pay a reasonable premium for an enhanced experience) and they all want the personal/community feel. For FLSWs however, customers were all different and therefore wanted different things from store visits. If the latter were correct then this suggested dangers in management's attempt at imposing a one size fits all "culture of fun" model (see Fleming, 2005). Given the significance of the issue I asked FLSW interviewees "what is truer: that customers are all the same or that customers are all different?" Here are some representative responses:

"I think saying customers are the same is a massive simplification and it's wrong ... they are completely different...."

"Customers are all different!"

"All customers are different is definitely true."

Interviewer: "Can you elaborate?"

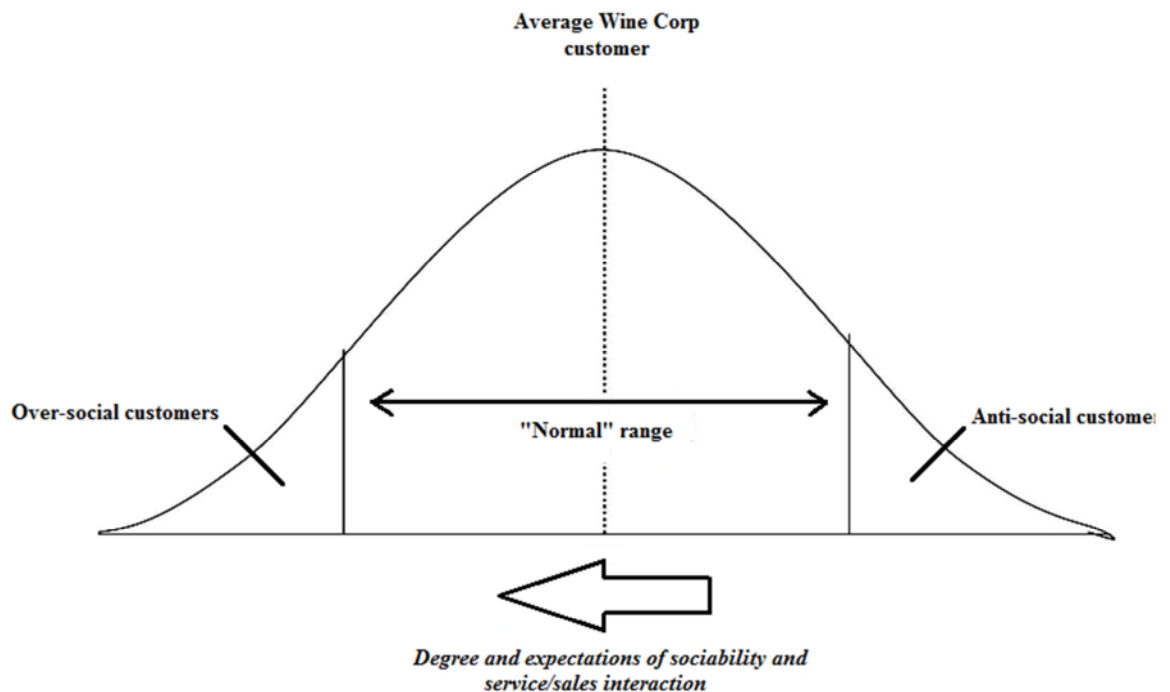
"Yeah, some customers literally come in and they do not want any help or they don't want to interact with you, they don't want you to, you know, even talk to them. It's like you literally say like 'hello' and they won't even look up ... Whereas other customers they literally want to know your life story, they ask what you've done at the weekend, like about your holidays and stuff like that ... as far as choosing the wine they'll want loads of help, they literally want to know exactly what you like, they want to try stuff. Whereas yeah, other people 'no, no, don't talk to me, don't try and sell me anything.' Yeah, they're all really different."

Interestingly, when I asked Daisy Bouchard this question she came up with a novel way of bridging the gap between management and FLSW views. It was almost as if her hierarchical position required her to find a compromise:

“I think probably in many ways all customers are the same. In that they all have their different requirements but ultimately they’ve all – walked in for the same reason – because they want the product and they want the experience of the store.”

As can be seen Daisy hedges her bets by arguing that customers are all the same in that they are all different. What this introduces is the possibility that both positions are valid on some level. That said, my role as both FLSW and participant observer put me in a position where I could not accept management’s position as valid. It is truer to say that customers are all different from my perspective, even though analytical inroads can be made into synthesising the nature of this disparate mass. A useful starting point is to see WC customers as fitting a bell curve because the majority converge around the average (see Figure 35).

Figure 35: Wine Corp customer bell curve



The silent majority of WC customers (those within the normal range) are instantly forgettable to FLSWs because they conform to the negotiated order of the

establishment, achieve their objectives and leave promptly. They politely decline optional extras as a rule, rarely use “exciting” features like the tasting counter and generally make instrumental/time-efficient use of facilities and staff time. Their muted investment in WC means that they neither seek opportunities to complain nor do they harbour interest in leaving positive feedback. Essentially they are as engaged as their objectives require them to be, and otherwise hold themselves to conventional standards of middle-class public decorum. Thus, the typical WC customer approximates a combination of Bolton & Houlihan’s (2005: 699) “functional transactants” and “moral agents.” The former defines “good service” as quick and easy whilst the latter places high value on mutual equity according to those authors.

Instantly forgettable is not to say unappreciated; quite the opposite, most WC FLSWs are quietly grateful for each and every bread-and-butter transaction. They may not excite or titillate in the way that management hopes but they put money through the till within a normal range of effort versus reward. Of course, FLSWs’ preference is for transactions with high rewards and low effort (e.g. an online order for 300 bottle of Bollinger) but these are rare and exceptional. Most transactions fall within the normal range of not much effort/not much reward and those unremarkable transactions made up most WC sales.¹⁶⁰

In contrast, those at the edges of the bell curve (Figure 35) are customers who represent a poor trade-off between time, effort, energy (both emotional and physical) and rewards. At one extreme are the over-social customers, who seem to cost more than they are worth in the FLSW-customer “effort bargain” (see Baldamus, 1961). At the other end of the spectrum are the anti-social customers who are rude and disrespectful to staff, making them remarkable on that basis. Some ideal-types of over-social customers are as follows¹⁶¹:

The bar fly: This type of customer generally fell into the over-social category although there were a few known examples where they were both over and anti-social. One such

¹⁶⁰ As of May 2019 the average transaction value (ATV) at my home store was around £80, with an average bottle price around £8.

¹⁶¹ For further examples and description of over-social customers see Appendix Section 7.

case was a customer colleagues and I referred to as “Botherer”. Botherer was a retired individual who delighted in propping up the tasting counter in the afternoons. Whenever the selection of wines was updated (this was displayed on the store’s web page), Botherer would hop on a bus then work his way through the range. Visits rarely lasted less than an hour, and there was an uncomfortable expectation that staff would make him welcome despite his unpopularity amongst them.

The reason for this lack of cordiality was that Botherer was the most prolific customer-complainer any of us had encountered. Any failing would elicit a complaint however trivial, and HQ would unfailingly indulge him with a discount voucher for his trouble. This reward incentivised his behaviour so new complaints kept coming and new vouchers kept being despatched despite successive store managers’ protestations. One was simply told “*he spends £3,000 a year so we put up with him.*”

The Monopolist: These customers were store regulars; they knew your name and they expected you to know theirs. The defining characteristic of a Monopolist was that they expected all of your attention, which presented an obvious problem when they were frequent visitors. Another issue was that they were far more interested in socialising than buying, often popping in with flimsy excuses. As an interviewee insinuated above these were the type of customers who “want to know your life story” and want to share their own. On a slow day a Monopolist might be welcomed and indulged (depending upon the mood and sociability of the FLSW – see below). On a busy day though a Monopolist could be very disruptive, making it difficult for FLSWs to sustain an illusion of his/her special significance (Korczynski, 2002).

The Special Friend – The common thread amongst this type was an expectation of extraordinary treatment in relation to some self-perceived social/cultural significance.¹⁶² Special Friends were not time inefficient like Monopolists or Bar Flies, but they did expect discounts and/or extra-ordinary service for no other reason than who they were. As the rolling theme of “over-social” implies Special Friends were typically charming and affable, making them potentially difficult to resist. One notorious Special Friend of

¹⁶² Perhaps along the lines described by Bourdieu, P. (1986) – see references.

mine was a “society cad” and member of Prince Charles’ friendship circle.¹⁶³ His Boris Johnson-esque caricature was so beguiling that I opted to play along, mainly because I did not want to burst his bubble. He came across as somebody from a different world, and to some extent he was.

If the deviation from the norm with “over-social” customers was that they were disruptive via over-engagement, then anti-social customers posed the opposite problem. The source of their disruption stemmed from their lack of willingness to engage with staff and/or the abrasive way they did. Some common examples follow¹⁶⁴:

Mr Big – WC was awash with customers drawn from the upper socio-economic tiers but what distinguished Mr Bigs was a combination of brashness and condescension. In essence the Mr Big-type enacted the customer role as master and commander, projecting a strong expectation of demur servitude. To take a comic example, an archetypal Mr Big once put me under pressure to apply extra discount to a transaction where it clearly could not be justified. The total spend was too small and the products selected were already on genuine promotions. I therefore explained my reasoning in a rapid-fire session of request and denial. Concurrently he grew frustrated until he blurted out “IF I WAS WEARING MY LORDS ROBES YOU WOULD DEFINITELY GIVE ME DISCOUNT!”¹⁶⁵

The Old Major – Given that WC was a magnet for the “grey pound” a considerable proportion of its customers were senior gentlemen, who in their frustration with the modern world fell somewhat short on the gentle part of the nomenclature. I refer to Old Majors as such because the ideal-type is highly reminiscent of officers in the TV show *Dad’s Army*.¹⁶⁶ Their expectation of subservience mirrored that of Mr Bigs, although

¹⁶³ My store manager put his name into Google, verifying his Etonian background and establishment connections.

¹⁶⁴ For further examples and description see Appendix 7.

¹⁶⁵ The customer sat in the House of Lords.

¹⁶⁶ A recent Guardian article described the show as “*the very best – and very worst – of Englishness*.” (<https://www.theguardian.com/commentisfree/2018/jul/29/the-guardian-view-of-dads-army-it-was-wonderful-but-we-must-now-move-on>) Old Major’s often reminded me of Captain Mainwaring with his catchphrase “*You stupid boy*.” In the case of Old Majors, a short

the egotism is replaced by a general frustration with deviations from their expectations of how service *should be*.

The Put Upon – There was a common assumption of voluntarism when customers were talked about, especially amongst WC management. They romanticised the customer as being eager to talk, excited about the product and enthralled by the prospect of being “wowed.” In contrast, Put Upon customers were the antithesis of management’s fantasy because they wanted minimal fuss and attention. These were customers who would have rather not been customers at all, they were only there due to prevailing circumstances (e.g. “their husband/wife asked them to get the wine for X”; “their boss said get wine for Y” etc.). These people were prone to push back against FLSWs who seemed over-inquisitive or friendly because these displays only exacerbated their burden, adding pressure to “play nice.” Two days ago (at the time of writing) a prime example of a Put Upon caused offence to a female colleague. It was described by her as follows:

Colleague: *“God she was such a bitch, so was so rude to me.”*

M.J: *“What did she say?”*

Colleague: *“Well she told me she wants six prosecco, so I asked her what style she was looking for and how much she wanted to pay etc., and she just said ‘I WANT SIX PROSECCO!!!’ I was only trying to help...”*

I therefore refer to these customers as “put upon” in two senses; firstly, they did not want to be there and snippiness was an expression of that. Secondly, they were aggressive in their rejection of value-added “experiential” service and forcefully imposed their minimalist expectations.

fuse tended to go hand-in-hand with frustration at their dependence upon “stupid boy” FLSWs to achieve their objectives.

The split personality of management

Cognitive dissonance is an apt way of describing the gap between management's personal sentiments on customers and official policy. In quiet and reflexive moments senior managers may concede that "of course customers are different," and therefore have to be approached as individuals with varying wants and expectations. Yet these philosophical ruminations were divorced from the identikit nature of management policy, which cast customers as round pegs desirous of service that pushed them through round holes.

For the wide spectrum of customers (as set out above) good service self-evidently required tailoring and deviation from a standard script, sometimes giving more and sometimes giving less. The cult(ure) of "5* service" meant that "giving more" was unproblematic but "giving less" was highly taboo. The latter was framed as the epitome of bad/boring service, the polar-opposite of what customers sought when they visited stores. The problems this posed for FLSWs was that contrary to management's beliefs, a large proportion of WC customers did not seek the "fun" and "wowing" full-service and were likely to be alienated by it.

There were several elements to management's self-delusion about WC's customer composition. Firstly, a sense of the company's survival resting upon customers paying more for "quality service" compelled management to adopt a *more-is-more* mind-set. A blind eye was therefore cast upon the large portion of customers for whom less was more. A second factor was that management's primary means of disaggregating customers strategically was in terms of how often they shopped (i.e., whether they are "loyal"), which stripped them of their quirks in terms of how they shopped. These inclusions and omissions had a homogenising effect on management's perceptions. A third related factor was that top management were exposed to numbers every day but were rarely exposed to the people that numbers represented. Seeing customers from

different vantage points was almost certainly a factor in explaining the perception gap between management and FLSWs.

Yet another factor in management's oversimplified thinking was that an ideology of "service excellence" had long since permeated the corporate realm (see especially Peters & Waterman, 1982; also, du Gay, Chapter Two). Most of management's major policies in WC were virtually copied-and-pasted from influential management journals; for example, the "5* service" concept was popularised as far back as 1995 in an article in the *Harvard Business Review*.¹⁶⁷ The year before Heskett et al. (1994) published their influential paper on the "service-profit Chain" in the same journal, which the "WC 2.0" logic model mirrors exactly. Yet another article in the *Harvard Business Review*¹⁶⁸ celebrated the arrival of the "experience economy" twenty years before WC's management adopted the idea as their own.

Further, in relation to "5* service" another factor militating against nuanced views of customers was the selection bias of the 5* feedback system. 5* feedback was heavily skewed by those who shouted loudest or were most invested, meaning that the voice(s) of average customers (who did not have the time nor inclination to leave feedback) was drowned out by a small minority of outliers. For example, over-social types such as "Bar Flies" and "Monopolists" tended to leave 5* feedback as standard given their abnormal engagement in store life. At the other end of the spectrum Old Major's and Mr Bigs were easily disgruntled, and the former (often being retired) had the time to make trouble via feedback mechanisms. Thus, a combination of over-vocal edge-of-the-bell-curve customers and under-vocal middle-of-the-bell-curve customers could severely distort the validity of 5* feedback signals.

A final factor shaping management's disconnect between policy and repressed knowledge was a default preference for control despite rhetoric to the contrary. As the previous chapter argued, the combination of "you're on your own" behaviour standards

¹⁶⁷ Jones. T. Earl Sasser, W. (1995) "Why satisfied customers defect," *Harvard Business Review*: November-December.

¹⁶⁸ Joseph Pine, B. Gilmore, J. (1998) "Welcome to the experience economy," *Harvard Business Review*: July-August.

and “big data” monitoring/surveillance represented a “bleak house” control/cost pincer movement. This constrained rather than enables FLSWs in the face of customer variability because it sought to impose contradictory quantitative and qualitative limits upon their role performance. As Lloyd and Payne (2014) argued, when management are presented with a choice between surrendering control and potentially higher sales/better service the control instinct ultimately wins out.

Prior to a concluding discussion it is worth remarking on feedback I received from a presentation of this material at a workshop.¹⁶⁹ It was argued that I should attempt to convert the above data into a two-dimensional typology. Obviously such a step has presentational appeal and utilises a favoured tool of sociologists, but the problem was that no second y-axis dimension presented itself as having an equal and consistent bearing upon FLSWs’ experience. Another suggestion was that I further disaggregate the “normal range” into types. This is something I would like to pursue in future research, even if their bearing is less remarkable than that of extreme types described above.

Section Four: Discussion

As was illuminated in Chapters Two and Three the nature of FLSW has been a central concern amongst researchers and theorists focused upon the area. Whether *de*-skilling or *up*-skilling has taken place has been one debate (see for example Du Gay, 1993). Another has homed in on whether and to what extent the nature of control mirrors or is substantively different to that of manufacturing work – perhaps in relation to ICT systems (Ferne & Metcarf, 1998); emerging opportunities for “customer control” (Fuller & Smith, 1991; Rafaeli, 1989) and/or “sophisticated” and insipid HRM strategies (Fleming & Sturdy, 2009; Wallace et al., 2000). Yet another interesting theme has been the notion of management “outsourcing” managing, or at least attempting to create a convenient illusion that they functioned as servants rather than masters of FLSW. According to Fuller & Smith for example, mystery shopper programmes co-opt customers as management’s proxy and thereby extending the latter’s power into

¹⁶⁹ ILR School, Cornell University, 10th-11th June 2018.

qualitative dimensions of FLSW. Darr (2003) came to similar conclusions within a knowledge work environment, arguing that management resorted to “market control” as a means of governing the labour process whilst presenting themselves as a non-coercive mediator.

The organisation of FLSW in WC bared a close resemblance to that discovered in Grugulis et al’s (2010) and Lloyd & Payne’s (2014) case studies. Management “heavily prescribed” key dimensions of FLSW (Grugulis et al. 2010: 1) and removed FLSWs from discretionary involvement in the *conception* of WC – thus, their residual role centred upon *execution*. This limited role span was policed by RMs or “coaches” in turn, as was made clear in Chapters Five and Six. Under the reign of Doug Slazenger store managers were better conceived as *managers in name only* due to their lack of authentic control over stores. Crucially, FLSWMs lacked budgetary discretion and power to hire and fire so they failed Lloyd & Payne’s test of “proper” managerial discretion (p.483). However, these self-evident limitations did not result in limited *liability* for store performance. Quite the opposite, FLSWMs were increasingly held solely responsible for sales and performance within management rhetoric.

By comparison, the power of modern EPOS (tills) to enable detailed analysis and backseat manipulation of sales by management was understated by Grugulis et al’s (2010) and Lloyd & Payne (2014). This may have been because of self-service (in the case of supermarkets); limited options (in the case of cafes); or the lack of subtle differentials across products meant that pro-active, discretionary selling were not significant features of the respective labour processes. Another notable distinction between Grugulis et al’s findings and those in “classic WC” was the relative emphasis upon “customer control.” Grugulis et al (2010) identified service scoring systems as being available to customers and closely monitored by senior management alongside “bottom line” performance indicators. No such systems existed within the classic WC model; there was no mystery shopper programme nor was there *systematic* data collection on customer satisfaction. DM’s regime fixated instead on the ends rather than means; if sales went up profits went up, and that was taken as a proxy for organisational vitality. The flipside was that an absence of growth was then taken as evidence of an absence of health, an interpretation of management’s own making.

The arrival of “maverick” CEO LF heralded a new strategy based upon the notion that WC had to become synonymous with service quality so as to halt a supposed exodus of “loyal” customers. The initial plan was for management to surrender control of interactional and sales elements of the customer interface, encouraging staff to “*be themselves*” and “*sell what they love*.”¹⁷⁰ FLSWs were given additional tools to “wow” customers and were encouraged to use their common sense to deliver “special” service. Unfortunately, this strategy failed to yield returns in a timeframe that satisfied management so they incrementally added monitoring and surveillance to ensure the service was “special” (5* feedback being the most important mechanism, complemented by mystery shoppers). Importantly though these were accompanied by a monolithic management-imposed concept of what good service looked like, as was evident in the marking criteria for mystery shoppers. In turn, this was based upon management’s fantasy ideal-type customer rather than a spectrum of actual customers as presented in Section 7.3.2. The very reason FLSWs were able to spot mystery customers (and adapt their behaviour accordingly) was because they stuck out like sore thumbs amongst the sea of “normal customers.”

Thus, management’s attempts at manipulating the qualitative side of FLSW in WC failed to significantly modify behaviour in my view for a few reasons. In the first instance the implementation and design of their mechanisms was poor, thereby undermining their potentially coercive value. The threat posed by mystery customers was limited because they were cartoonishly easy to spot and bad reviews could legitimately be blamed on multiple contextual factors. Similarly 5* feedback was undermined by its crudeness; the scoring system was easily skewed by a tiny number of bad reviews (due to small sample sizes¹⁷¹) whilst also driven by grievances unconnected to store staff (e.g., “*prices have gone up*,” “*you didn’t have X in stock*”). An equally important limiting factor was the *assumption* that service quality was the weak link in the first place. An absence of systematic data collection pre-implementation meant that this was little more than a hunch that coincided with convenient ideology, in the sense

¹⁷⁰ As an example, the reverse side of staff badges stated that “*my job is to help you discover wines you will love. So I focus on the wine, not the discount. That way I get loyalty – and sales will follow*”

¹⁷¹ In the six week period between 03/03/19 and 14/04/19, my home store received nine 5* reviews per week on average – a little over one per day.

that it provided a simple solution to “poor performance” (see the LF logic model, p. 170). If there were institutional issues with service quality then it was a consequence of prior managerial agency (see Chapter 6 Part A) rather than the result of a FLSW labour problem. Ultimately LF’s regime committed itself fixing something that was not broken.¹⁷² By doing so they risked breaking it, a possibility I shall explore further in Chapters Nine and Ten.¹⁷³

In summary, the organisation of FLSW in WC exhibits a number of features in common with the studies described at the outset. WC FLSW was defined and shaped *in the first instance* by things that FLSW actors had little or no control over, which is a finding in common with many well-known studies (see Chapter Three). That said, there were at least three things that distinguish and/or differentiate WC FLSW from that researched and described elsewhere. Firstly, WC FLSW *was* skilled work in important senses and this provided breathing space (i.e., viable and/or legitimate means of resisting management). Secondly and in relation, the business system depended upon skills and discretion to differentiate WC and justify its existence in the middle ground between elite merchants and low/no service providers. This fits a mid-market strategy as described by Pettinger (2004; see also Frenkel, 2006), which at its best offers a *best of both worlds* proposition that attracts customers from both poles of the market spectrum. This was after all the process by which classic WC grew in the first place (see Chapter Five). Finally, the conception *and* execution of management’s “modern” FLSW-specific control mechanism was poor and FLSWs were wise to its flaws and limitations. These systems were not totalising in the “Panopticon” sense and room remained for resistance both outside and within management’s own policy and logic.

¹⁷² Evidence in Chapter Eight will support this claim.

¹⁷³ See also remarks in Appendix Section 8.

CHAPTER EIGHT: THE EXPERIENCE OF FRONTLINE SERVICE WORK

Introduction

The research question asked *what are the forces and factors that shape the experience of FLSW in Wine Corp?* In a sense this is a question of two parts, with the former centring upon *causes* (see Chapters Five and Six) and the latter centring on *consequences*. Of course, this separation is for *analytical purposes only* because causes and consequences are deeply intertwined, with today's consequences shaping tomorrow's causes. I make this claim based upon the evidence (discussed further in Chapter Nine) and as an expression of a Critical Realist analytical framework, as outlined in Chapter Four.

The present chapter nonetheless homes in on the experience of FLSW *per se*, looking at the outcome-end of the subject under study. The first sub-question I seek to answer (Section One) is the extent to which WC's FLSWs were satisfied overall with their work experience. To do this I draw upon research that management itself commissioned to establish a broad picture of the state of affairs within the organisation. It will be shown that they failed to do this to acceptable scientific standards but the data remains useful for addressing the matter at hand. Moreover, drawing upon management's research provides an opportunity to triangulate findings whilst further exploring the theme of how and why management used its agency in the way that it did.

In Section Two I make further use of the aforementioned management-commissioned data to examine the key points of positive and negative experiences. Much of this data supports the analysis in preceding chapters so I will seek to amplify instances of cross-validation where appropriate. A similar objective is pursued in Section Three, which analyses turnover data with a view to mutually supportive findings across primary (qualitative) and secondary (quantitative) data sets.

An important finding that emerges from this synchronous analysis is the importance of social relations in stores. It will become clear that collegial relations “*make or break*” the experience of WC FLSW as one interviewee put it – a finding that is supported (explicitly and implicitly) by the survey data. George Monbiot recently referred to people as “*ultra-social mammals*”¹⁷⁴ and this does not cease to be the case in workplaces. The significance of co-worker relations makes it important to understand the underlying forces and factors that lead *teams of individuals* into enhancing or undermining shared experiences. There is no attempt at an exhaustive analysis here but two factors are illuminated that are underrepresented elsewhere: personality and commitment-*by-type*.

A recap on methodology & epistemology

Pragmatism lies at the heart of ethnography, as discussed in Chapter Four. When it comes to the specific instruments of data collection it is agnostic and flexible, driven by a practical belief that tool selection should be driven by the task rather than pre-determined. A reductionist ontology – for example, one that sees discourse as the only thing that exists – limits a researcher tool-kit by denying them the capacity to analyse how things other than discourse may shape the social world. If discourse represents the only truth then there is limited value in looking beyond it in epistemological terms. Ethnography is incompatible with this tightly bounded ontology because it assumes the existence of extra-discursive realities that could and should be studied in situ.

As was made clear in Chapter Four I reject the reductionist/deconstructionist worldview. In my view methods should be attuned to the specific area of enquiry rather than designated *a priori* on the basis of theoretical fundamentalism of some variety. I also believe that valid insights into the life and experience of FLSWs is best achieved by *living* that experience and observing it contextually. The reasoning is set out in the

¹⁷⁴ <https://www.theguardian.com/commentisfree/2019/apr/15/rebellion-prevent-ecological-apocalypse-civil-disobedience>

Methods chapter but it ultimately boils down to a belief that you can best understand someone once you have “walked a mile in their shoes.”

Much of the insight contained in prior chapters is drawn from a decade walking in the shoes of WC FLSWs. Given the nature and extent of my background knowledge of and within WC, I reserve the right to critically evaluate truth claims and the motivation(s) of their purveyors. I do not presuppose any special ability to divine truth(s) in doing so; I only assume that a truer account of organisational and experiential reality is made possible by critical investigation and expert examination of *all* relevant evidence (Yin, 2014). It is by this process that a more valid account of the phenomena under study may be achieved, even if it remains the case that all research and researchers are to some degree fallible.

It is in light of this fallibility that I caution the reader against taking the quantitative data below at face value. The reason is that it is derived from surveys commissioned by LF’s regime to appraise levels of engagement and progress against their “people” (i.e. HR) benchmarks. Management had a vested interest in “proving” that progress was being made *vis-à-vis* staff engagement, bearing in mind that this was the lynchpin of performance enhancement models as presented to internal and external stakeholders (see Figures 22 and 26). Therein, “empowering” and “freeing” were meant to catalyse the overarching WC 2.0 and 2.1 agendas, a backdrop that explains management’s willingness to invest significant sums in rolling research in the first place. This took the form of surveys that were repeated every six months, featuring identical questions so as to chart progress over time. Sections One and Two draw upon results from the Spring 2016¹⁷⁵ and Autumn 2017¹⁷⁶ surveys. The work was carried out by specialist consultants on WC’s behalf (see Table 11 for details of their methodology).

Table 11: People survey – methodology

- | |
|---|
| <ul style="list-style-type: none">• 37 scaled questions, 1 multi-option question.• Questions were grouped under the following themes and headings: |
|---|

¹⁷⁵ Four months into “the plan.”

¹⁷⁶ Twenty months into “the plan.”

“(1) the basics (2) passion (we bring our passion to work); (3) customer (customer first, customer second); (4) together (together we are WC); (5) resilience (the more you put in, the more you get out); (6) creativity (we make our own luck); (7) integrity (we deliver profit through our principles); (8) Overall satisfaction.”

- All questions were presented as positively phrased statements.
 - Employees were asked to rate each statement, using a 1-4 scale, where “4” indicated strong agreement and “1” denotes strong disagreement.
- The consultants provided the following guidance for interpreting results:
 - *Mean score in excess of 3.20 = “excellent”*
 - *Mean score 2.81 – 3.03 = “good”*
 - *Mean score 2.4 – 2.8 = “lukewarm”*
 - *Mean score below 2.4 = Poor*
- The Spring 2016 survey results were based upon 781 responses (64% response rate). The Autumn 2017 survey was based upon 642 responses (response rate not stated).
- All employees of WC were invited to participate including those from Retail, Head office, Commercial and Distribution Centre divisions.
 - The results were not reported on a division-by division-basis, which was likely to positively skew results. The quality-of-life was widely held to be significantly different for retail and non-retail staff, with the latter enjoying shorter working hours and regular office schedules.
 - These beliefs were substantiated by a breakdown of employee engagement scores. The range of employee engagement scores for the 11 store regions was between 59%-71%¹⁷⁷ in the Spring 2016 survey, against a company average of 70% (Note: Region X scored 66%). In contrast, the range for specialist & Head Office functions was from 75%-87%. Seen as a proxy for satisfaction the data suggested a segregated picture of qualitatively distinct work experiences, given that all such non-retail departments had markedly higher average scores. The sole exception was the Distribution Centre (68% employee engagement), possibly because its atypical working conditions (long anti-social hours, physical labour, relatively low pay¹⁷⁸) were distinct from those of other non-retail divisions.

Section One: The overall balance of satisfaction and dissatisfaction amongst WC’s front-liners

At first glance WC’s survey data presented a relatively upbeat assessment of job satisfaction in WC. On the key question “*overall, I’m happy and content working in WC*” there were 83% (Spring 2016) and 81% (Autumn 2017) positive response rates, equating to a little over four out of five staff members (Figure 36). The mean was 2.92 and 3.05 respectively, which according to the consultants represented “good” and “very

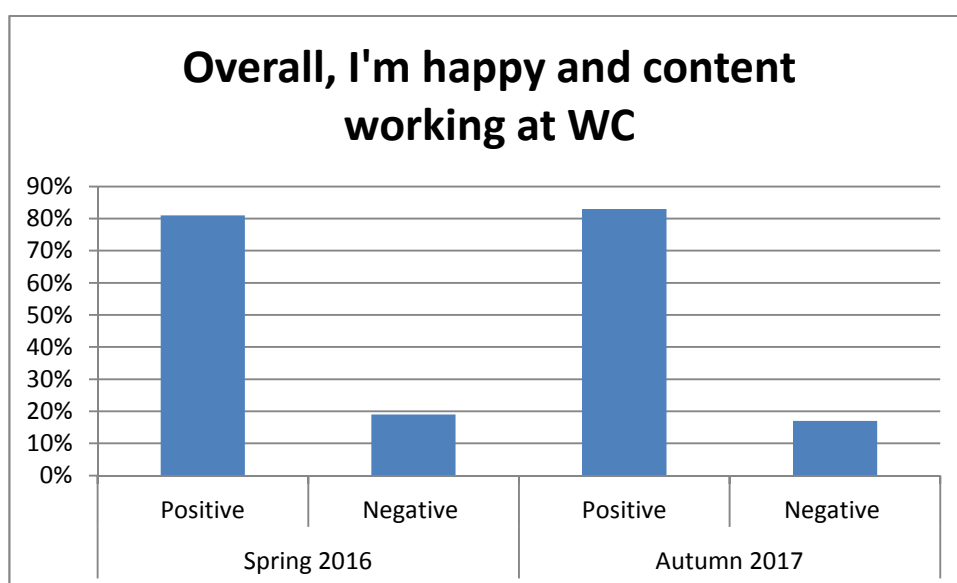
¹⁷⁷ These scores represented the aggregated average for all survey participants in a given region.

¹⁷⁸ I knew this from contacts on the distribution side of the business.

good” scores. That said, as was outlined in Table 11 there were reasons to be sceptical over whether this was indeed “good”/“very good.”

In the first instance there remained almost a fifth of employees who were *not* satisfied, and this was quite consistent despite the full implementation of “the plan” in the interim. A second issue was that both surveys sampled the whole of WC rather than just FLSWs – the focus of this study. As was argued in Table 11 there were robust reasons to believe that this sampling decision skewed the results upwards and therefore, the picture in retail would not be as rosy as figures suggested. Yet another issue was selection-bias; I knew anecdotally that the most jaded FLSWs were the least likely to participate in these surveys. Time and again veterans told me “*I’ve heard it all before*” [in relation to “the plan”], “*nothing changes*” and “*there’s no point*” [in filling out the surveys]. With these comments in mind it seemed fair to expect that the low participation of veterans would have modified results downwards. It should be noted that the surveys themselves provided corresponding evidence of fatigue. Those with 0-6 month’s service had an engagement score of 81% compared to 66% for those with 1-3 years’ service and 68% for those with 3-10 years’ service. This suggests significantly different levels of satisfaction amongst those who have been around long enough to have “*heard it all before.*”

Figure 36: Satisfaction amongst Wine Corp staff



A third issue was that related questions concerning job satisfaction either failed to indicate high levels of satisfaction and/or failed to show improvements in it, although results were inconsistent (see Table 12). Most notably, one in four WC staff stated an intention to leave the organisation within 12 months – a finding that was remarkably consistent across the two surveys. There was a small improvement on the question “*I’d be more than happy to tell my friends to work here as well,*” although this result drew flattery from an abnormally bad starting point. In Spring 2016 almost one-third of WC staff disagreed with this statement whereas by Autumn 2017 it was down to one in four (25%). Simultaneously, staff became marginally less proud of working for the organisation but remained committed to “*doing my very best for WC.*” This was an “excellent” result, suggesting that if there was a problem to be fixed by management then FLSWs’ commitment may not be it.

Table 12: WC Engagement & satisfaction

Engagement questions	Results Feb 2016			Results Sept 2017		
	Mean	% Pos.	% Neg.	Mean	% Pos.	% Neg.
I am committed to doing my very best at WC	3.62	97%	3%	3.6	96%	4%
I am proud to work at WC	3.23	91%	9%	3.23	89%	11%
I plan to still be working at WC in a year’s time	2.97	75%	25%	2.96	74%	26%
I’d be more than happy to tell my friends to work here as well	2.8	69%	31%	2.95	75%	25%

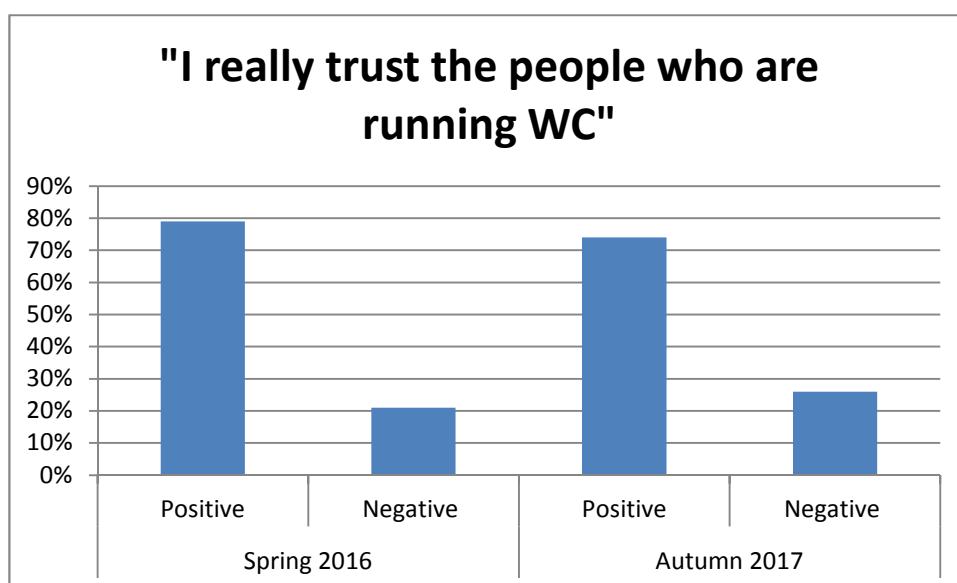
8.1.1. Management’s assault on truth

Within the 2017 and 2018 annual reports management made hay of marginal improvements against “people” benchmarks. As was mentioned above, LF’s regime had made commitment and empowerment centrepieces of their differentiation strategy. In relation, WC’s core proposition was superior customer experiences and FLSWs were charged with breathing life into this experiential concept. To paraphrase LF for the

“company to grow [FLSWs] have to grow,” making it incumbent upon management to measure “growth” via surveys.

The perceived importance of an engaged workforce was such that management were willing to go to some lengths to ensure that they got the research results they wanted. This became apparent when they took a strong dislike to the response they got to “*I really trust the people who are running WC.*” A little over one in five WC staff disagreed in Spring 2016, and each subsequent survey yielded evidence of growing distrust. By Autumn 2017 over ¼ of staff disagreed (see Figure 37), even though management had changed the wording of the question to distinguish themselves from middle management¹⁷⁹ – probably expecting a more positive result on that basis.

Figure 37: Trust amongst Wine Corp staff



A colleague explained why the term “witch hunt” would not necessarily be an exaggeration of management’s response to staff’s lack of trust:

¹⁷⁹ The statement was changed to “*I really trust the directors who are running the company.*”

Colleague: [responding to an open question about “*whether upward communication channels exist*”] “*Obviously we’ve got the engagement surveys which I like as a concept but I know from talking to people in other stores that there was, there’s a certain sense of people not being very comfortable filling those in anymore and not necessarily feeling that they can be particularly kind of honest after the last one where we were kind of some of the answers the company then kind of came back and were like we want to know why you answered this, so can everyone that answered it email us or put a post telling us why. And then when people didn’t follow it up they got personal emails and it kind of then went against that people felt that it wasn’t then really confidential and they were being put on the spot.*”

Researcher: “*I remember Doug made ... an iron clad promise that it is completely confidential.*”

Colleague: “*It is supposed to be confidential but I know people were contacted by email and kind of asked to explain why they’d put ... Basically that they didn’t trust the leadership of WC.*”

Researcher: “*Oh, okay, right.*”

Colleague: “*When you’ve got the kind of questions on there, it was something that had decreased and they were kind of concerned so and if people ... I didn’t put it so I didn’t have one but I do know people that did put it and basically got an email saying can you explain yourself please. And then ... So I think that rattled people because obviously other people got to hear about it. And I think that has rattled people across ...*

[telephone rings, is ignored]

... “*I was still very honest with mine. I don’t put anything in an engagement survey that I wouldn’t happily explain to anybody that phoned me up and sort of said can you explain your answer, you know. I’ve put it there for a reason because I believe it. But I*

think that it did worry some people that actually I'm going to be contacted about my answers and is it, you know, is it really that confidential? So I am intrigued to see how the results come out of the next one that they've just done."

I too heard rumours that despite management's insistence that the research was anonymous and confidential they had retained (and enacted) an ability to trace individuals whose contributions were especially unfavourable. The truth of the matter was hardly important in terms of data bias at least, what mattered was that many WC staff *believed* allegations to be true. This cautioned them against participation in subsequent surveys whilst reinforcing the notion that those with negative views may be wise to keep them to themselves. Thus the results of the survey – both in terms of relative positivity and/or the absence of negativity – must be evaluated with the pressure that management applied in mind.

Alongside alleged individual-level monitoring of staff responses and the rephrasing questions, management also dropped less favourable questions or elements of them from the survey. The most notable example was in the open question that asked "*what makes employees want to keep working for WC*" (see Figures 38 – next section). Two of the three least popular answers were "*the lifestyle it allows them to have*" (11% positive response rate) and "*the pay*" (12% positive response rate). Management boosted the latter by rephrasing it as "*the pay and benefits I get*"¹⁸⁰ [emphasis added], leading to a circa-25% increase in positive response rate. Their approach to the former was to remove the response altogether.

Section Two: Key positives and negatives relating to experience

The open question "what makes employees want to keep working for WC?" provided useful insights into the things that FLSWs liked and disliked about their jobs. Alongside "lifestyle" and "pay" the other option that was least likely to keep staff in WC was "the

¹⁸⁰ The most significant benefits were discussed in Chapter 5 (Section 2) and Section 7.1.6.

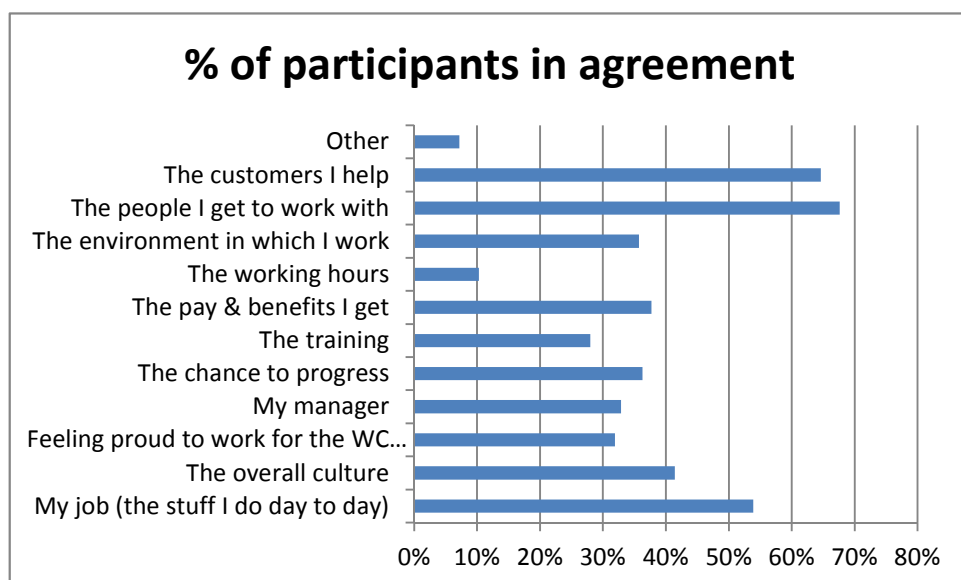
working hours,” which was designated as a positive by only 7% of survey respondents. At the other end of the spectrum 65% of respondents wanted to keep working for WC because of the “*people they get to work with.*” The two other most positive responses were as follows:

“The customers they help” (56%)

“Their job – the stuff they do every day” (47%)

A limitation of this otherwise insightful question was that it did not present some of the most well-known FLSW dislikes as options to be selected (or not). There was no option for “staffing levels” for example, and there was no means of stressing the destructive significance of related factors like “lone working” or “cover.” If they were presented as options then there was considerable reason to believe that they would have been identified as further factors that greatly undermined retention (see Chapters Five and Six Part A). Nonetheless, the results from the Autumn 2017 survey are presented in Figure 38.

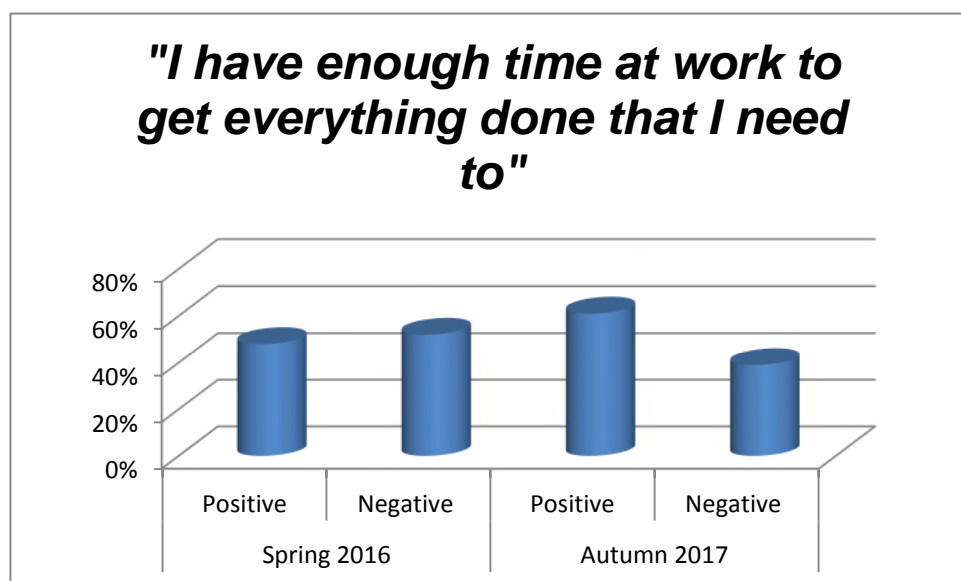
Figure 38: Retention factors (“what makes you want to keep working for WC?”)



Both in terms of the highest scoring and lowest scoring retention factors, WC enjoyed small increases in positivity between Spring 2016 and Autumn 2017. Those reporting *“the people I get to work with”* as a motive to stay increased by 2% whilst more remarkably, there was a 9% increase in those reporting *“the customers I get to help”* as such a motive. Unfortunately, it is hard to say whether this represented a true shift in positivity or a reflection of management’s rumoured surveillance.

Similar reservations ought to be afforded a small increase in those who claimed to want to keep working for WC because of *“the working hours.”* It is difficult to explain this surge in positivity (from 7% to 10%) because working hours were unchanged in the intervening period. In the meantime work was intensified (see Chapters Six Part B and Chapter Seven), although this failed to register within the survey results. To make this clear Figure 39 illustrates an improvement in the number of respondents claiming to *“I have enough time to get ... everything done”* despite observational and interview data to the contrary. Nevertheless, the mean score remained “lukewarm” meaning that it continued to be a weak retention factor (according to the consultant’s guidelines – see Table 11).

Figure 39: Workload manageability



8.2.1. The ten most positive and negative results

Whilst survey output lacked credibility in the absolute sense I would argue that it remained useful for *relative* indication of likes/dislikes *vis-à-vis* the experience of WC life. It is for this reason that I draw upon the data, even whilst cautioning against acceptance of its results at face-value. The Autumn 2017 “Engagement survey: summary report” provided a useful overview of the ten most positive and negative results (see Table 13 and 14). These are useful in further elucidating what FLSWs liked and disliked about their work experience.

Table 13: Engagement Survey (Autumn 2017) – 10 most positive results

Statement	+ve response	-ve response
I love getting customers excited about wine	98%	2%
I am committed to doing my very best at WC	96%	4%
My manager, team and colleagues respect me	93%	7%
I am totally clear about what is expected of me at work	92%	8%
I’ve got a buddy/friend/mate at work	92%	8%
My job is a really important part of what we are trying to do at WC	91%	9%
I know that someone at work care about me	90%	10%
WC really cares about our customers	89%	11%
My colleagues are utterly brilliant at what they do	89%	11%
My manager is a great role model of WC principles	87%	13%

Taken together there are clear themes apparent across the ten most positive results. Two of the top five concerned customer’s experience, which probably reflected both genuine commitment amongst FLSWs as well as management pressures as described above. In addition, the fact that “*I love getting customers excited about wine*” was the most popular response provides indication of *how* customers served as sources of work satisfaction. They provide staff with an opportunity to talk about a product they were passionate about. Another five of the top ten answers centred upon the experiential positive that was co-worker relations. A significant number of WCs staff worked with

people they regard as “brilliant at what they do;” “role model(s);” “friend(s);” and also, sources of respect. The responses indicated the significance of competence, congenial managers and meaningful social relations in WC FLSW generally. In turn, they underlined the significance of intrinsic sources of job satisfaction which corresponds with the findings presented in Figure 38.

In contrast, communication and organisational synchronisation were the things that WC staff were least positive about by some margin (see Table 14). Well over half of survey participants rejected the notions that management implemented change or facilitated interdepartmental communication effectively. In relation, less than half of staff felt able to agree that *“the different parts of WC work well together to get to the same goal.”* None of this seemed surprising given the chaotic policy roll outs described in Chapter Six Part B.

In Chapter Seven I argued that the appraisal system was marginal, sporadic and ineffective. This position is supported by almost one-third of WC staff rejecting the notion that they were *“100% clear on how WC measures how well I’m doing at my job.”* Such a finding seemed incongruent with another that 92% of WC staff felt *“totally clear about what is expected of me at work.”* It seems plausible that an ineffective appraisal system significantly contributed to the knowledge gap implied by these findings.

Otherwise the dominant theme amongst the ten least positive results can reasonably be connected to WC’s “management problem.” Thompson (2003) argued that a fundamental problem with management is that it cannot keep its promises, and LF’s regime made a great many promises upon its arrival in 2015. They promised to fix morale problems amongst FLSWs and to reverse a vicious cycle of decline initiated by the prior regime (see Chapter Six, Part B). However, survey results suggest that management were not perceived as having delivered upon these promises two years on. Only 72% could agree to *“feeling valued”* as employees, whilst 39% remained unable to agree that they *“have enough time ... to get everything done.”* These failures may explain some of the other least positive results including *“I really trust the Directors*

who are running WC” and “I know that you’re going to do something useful with what I’ve just told you.”

Table 14: Engagement Survey (Autumn 2017) – 10 least positive results

Statement	+ve response	-ve response
I’d be more than happy to tell my friends to work here as well	75%	25%
I’m 100% clear on how you measure how well I’m doing at my job	70%	30%
I feel valued as an employee of WC	72%	28%
I really trust the Directors who are running WC	74%	26%
I know that you’re going to do something useful with what I’ve just told you [i.e. the survey data]	74%	26%
I have enough time at work to get everything done that I need to	61%	39%
The different parts of WC work well together to get to the same goal	59%	41%
You pay me the right amount for what I do	55%	45%
The different parts of WC communicate well with each other	49%	51%
WC introduces changes to the business well	43%	57%

Section Three: Linking workplace behaviours to experiences

In early 2019 I requested a large bundle of demographic data from the People Department on FLSW demographics alongside basic HR information (see Appendix Section 5). I asked for the data to be longitudinal, covering the entire period of study (2009-2019) so that I may trace changes in labour turnover and the proportion of white males amongst FLSWs. It was made clear in Table 10 that WC’s frontline was overwhelmingly white-British. I wanted to see if this pattern (alongside others) changed as WC scaled back its traditional employment model.

As I may have predicted the People Department failed to satisfy my request. A senior People manager explained to me that system changeovers were to blame because they caused data to be lost or mislaid in the fog of transition. My experience of LF’s regime

– with its endless tinkering and overnight abandonment of brainchilds – made departmental chaos a perfectly believable explanation for an inability to provide data as requested. LF’s “post-bureaucracy” had proven an apt model for flattering traditional bureaucracy in my view, something that Du Gay (2000) and Parker (2002) anticipated.

The most reliable information on FLSW turnover is available in WC’s annual reports because retention of “key staff” (i.e. store managers) was a KPI for LF’s regime. According to management their research proved that sales dipped in stores after manager’s departures, underlining their importance to customer loyalty. As the latter grew in importance as an aspect of management’s commercial strategy so did the importance of retaining and leveraging FLSWM’s personal relationships with customers. That all said, key worker retention actually declined between FY15 (the first year of LF’s regime) and FY17, from 78% to 74% (see Figure 40). Retention did then increase to 81% in FY18, probably reflecting hyperbole about dramatic pay rises connected to the “Partner” programme launched around that time. This led to some FLSWM’s playing “wait and see.”¹⁸¹ Once £50,000 p.a. remuneration failed to materialise¹⁸² it seemed likely that turnover would rebound in FY2019.¹⁸³

It is reasonable to believe that turnover for *all* store staff was considerably higher than that of “key workers.” One factor was the astounding number of new recruits who left after one day on the job. My ten years in WC was laden with stories of FLSWs walking out after their first taste of WC FLSW. Such stories were not myths; two of my home store’s new recruits walked out after their first days in late 2017 and early 2018. Our next recruit lasted roughly two months before he too walked out at the beginning of the peak-Summer period, compounding an under-resourcing crisis that originated with the one day walk-outs just mentioned.

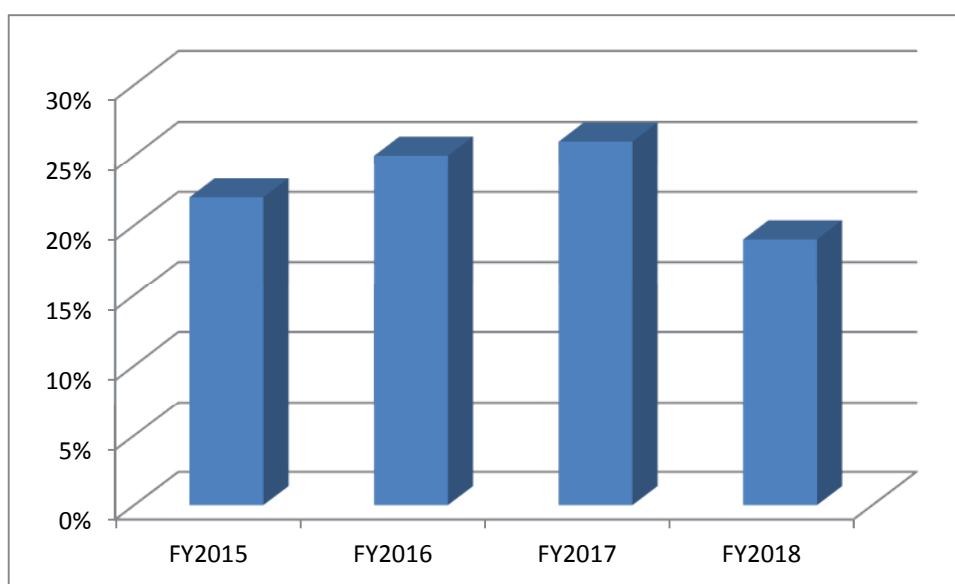
¹⁸¹ Some of the store managers interviewed expressed a desire to become “partners” and see whether the much vaunted extra rewards materialised. My own store manager clarified this as a reason for staying on despite having served in the role for 3+ years.

¹⁸² Whilst it may have been technically possible such an income relied upon practically impossible results within the Meritocracy framework. Much of the extra pay was set to come from bonuses and bonus accelerators. Having viewed numerous bonus spreadsheets (which showed total bonus pot for stores) I was satisfactorily convinced that there was little substance behind management’s claims. The majority of informants believed that they were actually getting *smaller* bonuses as a result of the Meritocracy system.

¹⁸³ The annual report for FY2019 will not be realised until Summer 2019.

Those who made it passed their first day would be confronted with long anti-social hours, physically arduous work and salaries towards the lower end of the graduate range. Graduates.com estimates average salaries for starting graduates in the UK as being between £19,000-£22,000, and WC's full-time starters earned just over £19,000 in 2019.¹⁸⁴ Basic salary may increase to £23,000 upon promotion to assistant store manager, typically taking about eighteen months (assuming open-mindedness over location). An additional increment to circa-£26,000 occurs if and when a FLSW is promoted to store manager, although there are few examples of this being achieved in less than three years. Even then basic salary remains well below the UK median of £28,677 for full-time employees,¹⁸⁵ locating WC's "key workers" well within the UK's bottom half of earners. This goes some way towards explaining wide spread discontent on pay (see above).

Figure 40: Annual turnover of key frontline service workers



Knowledge of what made WC's staff more likely to stay could be logically turned on its head to indicate those who were most likely to leave. Pay and hours were known problematic factors, so those with a high degree of extrinsic motivation and/or an increased need for "normal" conditions were amongst those most likely to depart. My

¹⁸⁴ FLSWs in greater London stores earned a London weighting which equated to approximately an additional £1,500.

¹⁸⁵ <https://www.theguardian.com/money/2018/may/12/salary-what-get-paid-talk-about-it-makes-brits-tinge>

former store manager Jack Swift left for this reason; he was a “natural” at WC FLSW but could no longer reconcile lifestyle limitations with the needs of a young family. Quality of life aspirations (for “normal hours,” free weekends, meaningful work and/or laid back lifestyles) generally constituted key push/pull factors (see Table 15 below for a list of destinations). Survey data (above) made clear that “quality of life” was considered a serious drawback in WC. Dan Mitchell aside, I did not encounter anyone in WC who explicitly perceived it as a “job for life.”

Turning to intrinsic motivators (i.e. factors other than pay and conditions), data in the prior section made it clear that social relations (with both colleagues and customers) were powerful retention factors. This aside the other major retention factor was “*the stuff I do every day*,” so it stands to reason that those who did not “cut it” were likely to be those who failed to enjoy the social nature of WC work and/or its intersecting operational elements.¹⁸⁶ Two additional factors that appeared to drive departures were “perfect storms” and “chain reactions.” In terms of the latter, the departure of a popular colleague (especially a manager valued by subordinates) appeared likely to compel store colleagues to follow suit – hence the term chain reaction. This happened in Canalside where I found myself the store’s longest serving member of staff after only a few months. The store manager seemed to be the glue that held the team together so his departure led to others expediting their own departure. The domino effect described here provided further indication of the significance of co-worker bonds.

A further related factor was the “perfect storm,” which refers to situations in which the good bits about WC life (e.g. downtime, “playtime,” quality time with “good” customers) were stretched to breaking point whilst the bad bits became overwhelming. A perfect storm would typically feature staff shortages (at store/regional levels); periods of high demand (e.g. summer or Christmas-peak); budgetary squeezes; excessive lone working; lots of “cover” (staff working outside their home stores); and also, inexperienced part-timers making up for labour shortfalls. When perfect storms arose the organisation could feel like a tinderbox in my experience. Even some of the more “happy go lucky” personalities and “*bleed blue*” diehards became willing to accept that something was fundamentally wrong at these times, possibly rebelling as a response

¹⁸⁶ A list of operational elements of WC FLSW features in the Appendix, Section 6.

(albeit within constrained individual boundaries).¹⁸⁷ Less upbeat and restrained staff were vulnerable to less controlled explosions, such as the protest letter exhibited in Chapter Six. The most likely stress response however was to plot a path to leave as soon as possible, drawing a line and saying “*I’ve had enough.*” These were the literal words used by two store colleagues (in different stores) during one “perfect storm.” I told one of their stories in Chapter Five (pp. 105-106).

Unfortunately WC had no program of exit interviews so Table 15 is based upon my data. Relatively few trainee managers and assistant managers feature therein because most went on to work in stores outside the research area.

Table 15: Departure destinations of research participants and co-workers

Colleague	Length of service (years)	Rank	Destination
Doug Slazenger	10+	RM	No destination; eventually joined Aldi (position unknown) then another wine company as a travelling rep.
Jack Swift	5-10	SM	Examiner for the DVLA, working office hours.
Sharon Bletchley	5-10	SM	Joined the graduate scheme of E.ON.
Gerald Marks	5-10	SM	Emigrated to New Zealand, joined a wine company.
Aleister Jones	5-10	SM	Become an officer in the Metropolitan Police.
Scott Parker	5-10	SM	Moved to WC Commercial; later left to joined a rival wine company.
John Price	5-10	SM	Became an assistant wine buyer for a small generalist retailer.
Robert Dickens	5-10	SM	Commercial arm of a brewing company.
Sally McCloud	3-5	AM	Joined the commercial arm of a rival wine company.
John Ryan	3-5	AM	Teacher training.
James Wicks	3-5	AM	Joined an online wine emporium.

¹⁸⁷ In one example I am aware of a popular senior store manager - who was inebriated one evening - wrote her regional manager an email about “*how bad everything is at the moment.*” Within that email she stressed “either I go or [one of her part-timers] goes,” believing that a poorly performing part-timer was dragging everybody else down. According to the source the RMs response was to say she “*was welcome to leave if she is not happy*” and that there were plenty of people “*waiting in the wings*” to replace her.

Lee Donovan	5-10	AM	Acquired a role in the NHS; office hours.
Rose Smart	3-5	AM	No destination; eventually became a travelling sales rep outside the wine industry working “normal” hours.
Roger Twell	1-2	TM	Joined Wolseley in a sales role.

Section Four: Psychological types and the experience of frontline service work in Wine Corp

A proposition set forth in proceeding sections was that co-worker relations could greatly enhance the experience of FLSW in WC. In this regard there is clear synchronicity between quantitative data and qualitative data, as will be illustrated below. The flipside of the coin is that in the case of co-worker *disharmony* relations could have the opposite effect, negatively impacting the experience in an immediate and profound sense. Store colleagues were meant to “*have your back*,” making it all the more injurious when the “enemy within” became a predominant threat.

All of this puts into context the seriousness of breakdowns in the delicate social eco-systems that existed in stores. Experienced full-timers and part-timers represented “in groups” in WC stores whilst others were outsiders to varying extents (see Section 7.3.1). In-group relations were both cause and consequence of meaning construction (see Collinson, 1992; Burawoy, 1979), as occurred within the utilisation and enjoyment of downtime for example.¹⁸⁸ Positive in-group relations facilitated escapism (amongst other things) by providing space to get away from sources of antagonism. The problem was that store life provided considerably less escape space if co-workers *were* the source of antagonism. This section provides two case studies of such instances, and seeks to illustrate the causes and consequences of individuals becoming “enemies within.”

Summary of guiding concepts

Prior to embarking on said task, I will introduce the theoretical apparatus that is useful for understanding and exploring how individuals engage with FLSW and shape the

¹⁸⁸ Appendix Section 3 elaborates on some specific examples of this, witnessed first-hand.

experience of it for those around them. What I am referring to here is personality theory, specifically trait theory as developed by Carl Gustav Jung and Hans Eysenck. For Jung the most significant differentiator in the psychology of individuals is whether their attitude is “extrovert” or “introvert” in nature. Extroverts are social, outward-looking and habitually place primary emphasis upon the significance of objective outer events. Such individuals have a “candid and accommodating nature that adapts easily to a given situation [and] quickly forms attachments” (Jung 1921 in Stevens, 2001: 87). Introverts by way of contrast are pre-occupied with their inner subjective realm (i.e. they are “lost in their own thoughts”). Being so gives him/her “a hesitant, reflective, retiring nature that keeps itself to itself, shrinks from objects, is always slightly on the defensive and prefers to hide behind mistrustful scrutiny” (*ibid*).

The centrality of Jung’s concept of extroversion/introversion to individual orientation was underlined by the influential work of Eysenck (2017), who presented “e” (extroversion) and “n” (neuroticism) as the root dimensions of personality. For Eysenck these are “domain traits,” composed of numerous sub-traits (see Table 16) that combine to distinguish one person from another both behaviourally and experientially. A large body of evidence validates e/n as determinant factors in individual differences in human conduct (Costa & McCrae, 1986).

Table 16: Neuroticism/extroversion inventory

Neuroticism:	Extroversion:
Anxiety	Warmth
Hostility	Gregariousness
Depression	Assertiveness
Self-consciousness	Activity
Impulsiveness	Excitement seeking
Vulnerability	Positive emotion

(Costa & McCrae, 1986: 69)

Jung failed to award neuroticism parity with extroversion as a “domain trait,” but he was keen to explore the “dark shadow” of his eight psychological types (Stevens, 2001).

These types were constituted by two factors: (1) extroversion/introversion and (2) individuals' preferential bias in terms of the four "psychological functions" (sensation, thinking, feeling and intuition). Individuals are thus sub-divisible on the basis of *attitudinal* (introvert/extrovert) and *functional* biases into eight distinguishable types (see Table 17).

Table 17: Jung's personality types¹⁸⁹

Types	Main characteristics	Shadow
Extroverted sensation types	Down to earth; practical; love details; little time for abstractions, meanings, values. Main aim: to experience and enjoy sensations	May seem superficial and soulless. Vulnerable to addiction, fetishism and OCD
Introverted sensation types	Respond to the intensity of their subjective experience of sensations rather than direct external stimuli. Such people lead vivid sensory lives	Negative intuition, always "smelling a rat" and sensing danger lurking round the corner
Extroverted thinking types	Guided by external considerations/ criteria; good problem solvers; love practical guidelines	Can seem cold and aloof; oblivious to feelings and co-workers' needs
Introverted thinking types	Guided by intellectual/internal criteria; concerned with theories and ideas	Difficulty with emotional sharing; may "explode" when defied by reality
Extroverted feeling types	Easy-going; tend to harmonise with group norms; effortlessly popular with colleagues	Prone to "childishness"; vulnerable to fanaticism and hysteria
Introverted feeling types	Covertly influential; led by values; embody the standards they espouse	Tendency to get lost in detail; breakdown leads to depression
Extroverted intuitive types	Focused on <i>potential</i> not <i>actual</i> state of things; good at seeing possibilities/predicting events	Bad at seeing things through; easily bored; fadish
Introverted intuitive types	Focused on what external objects release within; highly insightful	Struggle to externalise their ideas; in danger of losing touch with reality

¹⁸⁹ Developed from Stevens (2001: 88-97).

Personality refers to “individual differences in characteristic patterns of thinking, feeling and behaving.”¹⁹⁰ The cognitive realm was not an area of interest at the outset of my study but it became one retroductively, as I searched for explanations for the stubborn intransigence and consistency of colleagues over time. The common notion that workers are adaptable players of work-based identity games (see Knights & Willmott, 1989; Collinson, 1992; O’Doherty & Willmott, 2001) seemed inadequate in explaining why some FLSWs resist involuntarily, with John below providing a partial example. What I am implying is that actors do not have a free hand in how they construct self or formulate responses within socially mediated workplace settings. Rather, they are constrained and enabled by traits inherent to them as people. A fortunate by-product of this for others is that they appeared to “conform” despite themselves, rather than as an expression of commitment to management and its agenda – as was the case with Keith (see Section 8.4.3). Overall these observations led me to believe that human variability emanates from a deeper place than *conscious-level* identity-construction; hence, its relative stability in the face of management oscillation and challenges of frontline social relations.

8.4.1. Qualitative evidence on co-worker relations

The importance of effective teamwork and positive team relations was highlighted time and again by colleagues as a key determinant of the day-to-day quality of work-life (see the responses to Q1 below). There was also remarkable consistency on the issue of what makes for a bad co-worker as responses to Q2 show.

Q1: *“How much does the store team affect your quality of life at work?”*

R1: *It makes all the difference. It’s so important. It’s...yeah; it completely changes your day according to who you work with.*

¹⁹⁰ <http://www.apa.org/topics/personality>

R2: Huge...having the right team hugely affects my morale and my work-life balance.

R3: It's massive. Yeah, I mean, the probably biggest influence ... even your motivation in store is the team really.

Q2: Let's do a bit of imagining here. Think about a terrible colleague, what traits and attributes would that person have?

R1: Someone who works to rule. I had a few people who worked to rule ... they'd go out of their way not to do anything and it's a real drag.

R2: ...Let's say when you run a three man team each individual contributes 33% to that team, so if someone is letting someone down it affects everyone. So it's very important I think for everyone to be working together so a team player is what I would say can pull it through or bring it down.

R3: Oh, just an individual ... anybody that was inward looking ... Do you remember Beth? She was just out for herself and it was the most frustrating thing ... she was just not a team player at all.

Contained within these remarks is a primary basis of conflict between FLSWs. The foremost sin a WC FLSW could commit in the eyes of co-workers was failing to be a team player, which generally translated into failing to carry their fair share. Within a

small team dynamic (against the backdrop of general labour scarcity), any shortfall on the part of a given individual had to be picked up by other team members. Inevitably this stirred resentment which could boil over into antagonism and conflict if it persisted (as discussed in 7.3.1). Carrying an under-performer was challenging at the best of the times but if a store was underperforming, short-staffed or navigating “peak” then the likelihood of tension was further enhanced.

Paradoxically though, whilst the myriad of pressures that came with small team interdependence forged tension it also acted as a preventive factor in conflict becoming too venomous. The reason was that as the above comments made clear, no other factor determined quality of work-life more than relations with co-workers. Full-time staff typically spent more of their waking hours with store colleagues than they did with friends and family, meaning that something of a familial relationship was born of circumstances. Work effectively became a home from home, and given its centrality it was critical to maintain cordial relations. One poignant story of relationship breakdown (between manager and assistant manager) underlined this:

Interviewee: *“I started off with a very strong assistant and a very keen and eager trainee manager ... so my job was quite easy really. They then left or got snatched away ... and in their place I got an assistant manager who wasn’t motivated when ... I mean, he’s just left the company, he knew he was leaving for the past six months. He wasn’t motivated when he wasn’t leaving. When he decided he was changing careers he took that even further, it was a real battle. And I really hated going to work, it was really a horrible place to be and I think probably some customers may have picked up on that as well and there was some ill feeling between the two of us...”*

MJ: *“As a manager did you feel you had any power to try and improve the performance of that individual?”*

Interviewee: *“There are things I probably could have done better. I mean, there was a real sense of injustice from head office I think, the assistant manager felt, he felt that they were against him very much.”*

MJ: *“I don’t know anything about that, I can’t resist finding out a bit more?”*

Interviewee: *“Yeah. So basically [the Divisional Director] came to visit the store with [Daisy Bouchard] when I was away on holiday. John [the assistant manager under discussion] was there. And the Divisional Director criticised the store really and basically John was sulking, answering back, being a bit teenagery from what I’ve heard from Daisy ... but all it really did was put pressure on me and him ... in terms of our relationship and from above. So yeah, it’s been really hard work ... I felt I was facing a losing battle there and one that wasn’t worth fighting for.”*

8.4.2. Commitment & personality (1) – the case of John

Whilst it could be said that John had a useful degree of boyish charm he lacked for institutional, team or customer commitment (see Figure 42 below). This meant that he created a fair impression of being “out for himself” and “not a team player,” the worst traits a colleague could have as highlighted above. He was also something of a “hostile caretaker,” being more interested in his daily TV schedule than the wants and needs of customers. As the term hostile caretaker implies, John preferred an empty store customer-wise because it was less disruptive to his personal agenda. My personal

experience with him (discussed below) confirmed that “*getting him to do his fair share*” was a constant battle. I too concluded it “*wasn’t worth fighting for*” with John.

One of the few people seemingly oblivious to John’s limitations was Doug Slazenger, who promoted him to assistant manager. In Doug’s defence there were no other applicants for the role, although if there were then John would have probably got the job anyway. John was an apt fit for Doug’s envisaged ideal-type FLSW in certain senses (see Chapter Six); he carried himself with “rugged boy” swagger and exhibited the type of masculine bravado that often accompanied “seller” personas favoured within the old regime. Doug had been made aware of John’s limitations but true to form, he failed to listen to his frontline subordinates.

If John’s commitment(s) (or lack thereof) underpinned performance problems then it is fair to say that his personality contributed too. John was badly wired for the type of FLSW that prevailed in WC. I too witnessed the “sulky”/“teenagery” behaviour myself, where John would somehow take offence at basic guidance and instructions. A typical response would be to engage in extended periods of work-to-rule and/or retraction into an inner shell. These periods would then spill over into his dealings with customers (as my colleague observed above), whilst generally toxifying the store atmosphere. In one memorable incident I saw John sit down on the shop floor and refuse to do anything because the assistant manager rejected his last minute request to leave early.

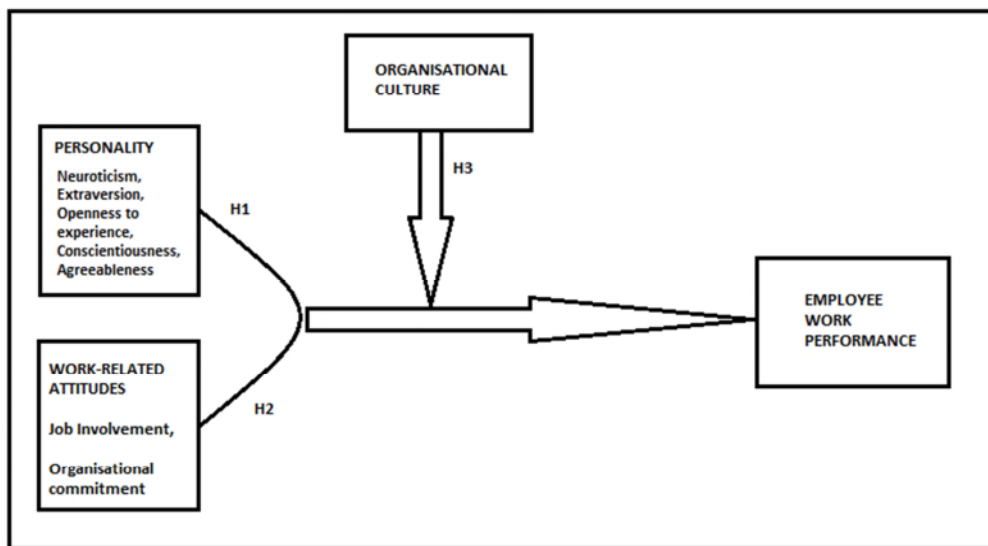
Whilst John was an extreme case he did nonetheless bring into view two of the most significant subjective factors that determined FLSWs’ behaviour: (1) commitment (in terms of degree and type) and (2) personality. In making this claim I find myself echoing a similar proposition to that of Awadh & Ismail (2012), although they got there via different means. A combination of meta-analysis and deductive reasoning led them to argue that personality and “work-related attitudes” (as moderated by organisational culture and personal “fit”¹⁹¹), were likely to prove the foremost factors in determining

¹⁹¹ For the sake of topical focus I have omitted discussion of organisational culture as a mediator here, although this is implied at multiple points in the thesis. “Meritocracy” for example can be reasonably construed an attempt at top-down culture management which threatened to

employees' performance (see Figure 41). Interestingly, the authors pointed out the following based upon their review of evidence:

“Openness to experience, conscientiousness and agreeableness have a weak association with performance; extroversion [is] positively related to performance; neuroticism is negatively related.” (p.114)

Figure 41: Awadh & Ismail's model of work performance



What makes this synthesis useful is that it cross-validates my findings which indicated the high significance of extroversion/neuroticism and the comparatively marginal significance of the other “big five personality traits” (see H1 in Figure 41). I also found “work related attitudes” to be highly significant as illustrated above, although I found it necessary to develop a multi-dimensional picture of commitment that better reflected the

undermine the social fabric of store life (as will be argued in Section 8.4.3). In relation, the crux model in Figure 41 is the notion that positive and negative interactional effects will occur at the interface of organisational culture and workers (who have particular personality compositions and work-related attitudes). “Fit” was shown to be important for actors within both regimes, with favoured sons of Dan Mitchell regime purged by LF due to their supposed incompatibility with the WC 2.0/2.1 vision (see Chapter 6 Part B). LF wanted managers who were committed to service whereas the old regime was synonymous with a focus on ends (revenue) rather than means. At the store level those who failed to fit with official/unofficial group norms could also find themselves marginalised (see Section 7.3.1).

specific orientations of individuals (Figure 42). A useful way to further explore the significance of these factors is to compare John to myself. Out of the two of us I had the less outgoing personality, being an introvert who was not the most comfortable around customers. All other factors even John had a significant advantage over me in relation to customer-facing dimensions of the role because sociability required less effort on his part. I was and am an “introverted thinking type” (i.e. preoccupied with theories and ideas) to draw upon Jung’s typology, whereas John exhibited hallmarks of an “extroverted feeling type.” This informed John’s likeability and popularity as the framework postulates but also infused an “infantile, archaic, negative” (Jung, 1961 in Stevens, 2001: 94) aspect of his personality as exemplified by the sit-in protest. Thus, John’s “dark shadow” cancelled out and overshadowed his natural abilities – making him a much less reliable frontline server than myself.

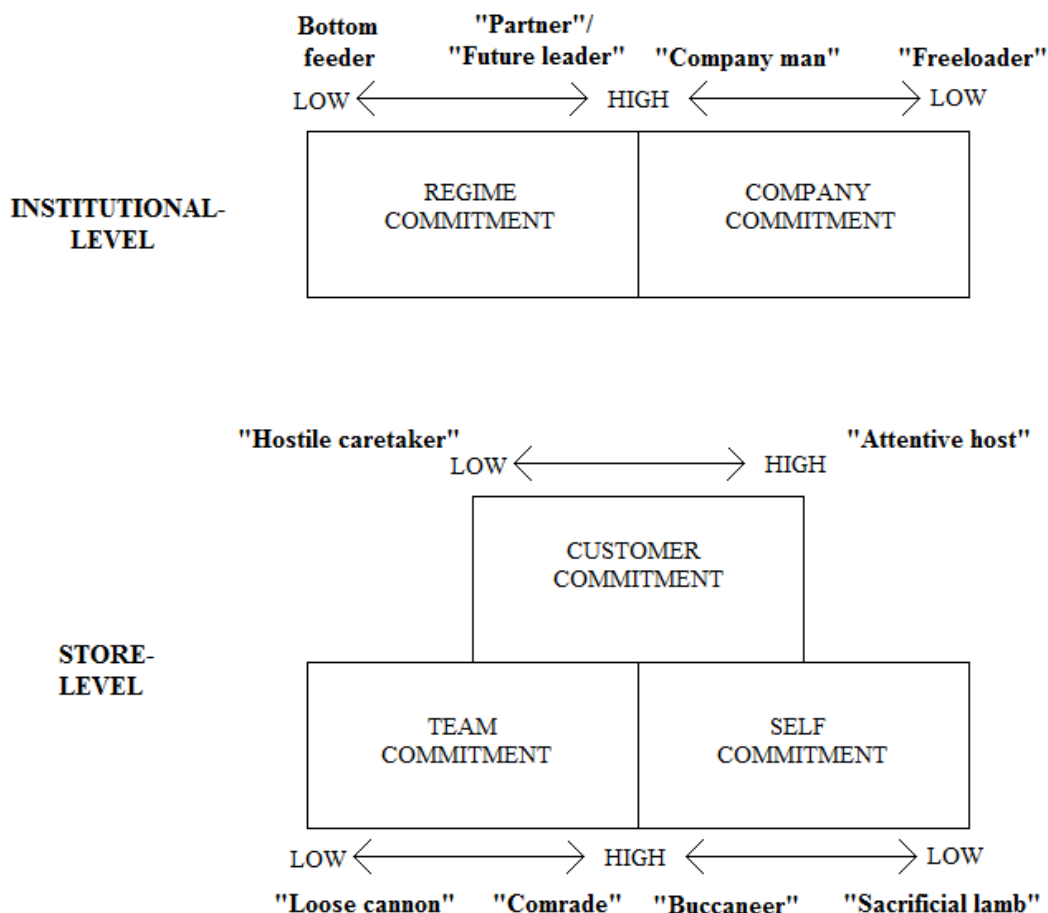
As Jung made clear every personality type has a “dark shadow” and the social intensity of WC FLSW made it all but impossible to permanently contain your “inner demons.” During intense periods WC FLSWs were pulled in too many directions and were subject to too many pressures to avoid build-ups of negative emotions. It is for these reasons that commitment(s) mattered, in that they directed coping mechanisms and decision making about who and what got prioritised in challenging times. This was another crucial plain upon which John and I differed, making the experience of working with us significantly different as I will explain.

Drawing upon Figure 42, my chief characteristic as a WC FLSW was my degree of “team commitment.” I cannot pretend to have been especially customer-committed nor was I a self-sacrificing martyr (low on the self-scale). I was however high on “comradeship,” in the sense that I worked hard for my team in an operational/behind-the-scenes sense.¹⁹² In part this reflected my introversion but it was also logical in terms of Ricardian comparative advantage theory (as discussed in 7.3.1); basically I “played to my strengths.” As for institutional-level commitment I did not register as high on either scale but I was closer to being a “company man” than a pro-regime “entrepreneur.” This

¹⁹² Loose support for these claims is available in my appraisal (see 7.1.6), wherein I scored comparatively low for “demonstrating the WC way of working” and “be[ing] a customer champion” but highly for “running a smooth operation.”

distinction was important because it carried the implication that I would happily resist the LF regime when I believed it to be in the best interest of the company,¹⁹³ provided that doing so seemed low risk.

Figure 42: Commitment at different levels of abstraction¹⁹⁴



Getting back to the comparison with John, what made him relatively unique was a lack of *any* discernible form of institutional commitment combined with a notable degree of “self-commitment.” From the perspective of higher-ups such a mercenary demeanour

¹⁹³ I will pick up this theme in Chapter Nine.

¹⁹⁴ Notes on Figure 42: (i) The extremes for each of these types of commitment are *ideal-types* – thus, FLSWs were not one or the other. (ii) The idea is that individuals occupied different positions along interrelated spectrums, making them more or less easy to work with in the eyes of others - including management. (iii) Performance models often focus upon single dimensions like engagement (as per WC’s surveys above) or organisational commitment (see Awadh & Ismail’s model below). Figure 42 seeks to express a more nuanced understanding of commitment based upon a pluralist perspective of socio-economic relations (see Edwards, 1986).

led to a perception of a “bottom feeder”¹⁹⁵ and “freeloader.” These terms refer to beliefs that John was *out to do the bare minimum* and *only interested in a free lunch*. Those who worked with him at store-level may or may not have agreed, but there was a general conviction that John was a “loose cannon” who could not be relied upon. He was more of a “buccaneer,” meaning he was focused primarily on achieving the best effort-bargain returns on an *individual-basis*. In John’s mind this would have been rational but in the eyes of team-centric co-workers it was *irrational* and selfish because his load had to be carried by others.

To recap, the argument here is that commitment (by type and extent) and personality were two primary *subjective-level* factors that determined how FLSWs acted and affected the experience of their co-workers. In the next section I will attempt to illustrate how these factors intersected with WC’s neo-liberal managerialism (as described in Chapter Six Part B) in my home store.

8.4.3. Commitment & personality (2) – the case of Wayne

Some degree of thick description is necessary to illuminate my argument so I can only describe a few FLSWs characters in detail. The next character I will describe is Wayne, an experienced store manager who I worked with for four years and knew for six. Wayne was interesting analytically because he was something of a “golden boy” of both regimes. He also provides a useful case in point of the dangers posed by the “new plan” staffing model and “Meritocracy” to the experience of co-workers.

What Wayne and John had in common was that they were both natural extroverts, meaning they were comfortable in other’s company. Wayne in particular was an example of the type of extrovert who was uncomfortable *without* company; not really being one to reflect or ruminate too much by his own admission. Wayne was more of a practical man and problem solver who strongly resembled Jung’s “extrovert sensation type.” In Table 17 they are described as lovers of details with a main aim of experiencing sensations and deriving pleasure from them. This combination of traits went some way towards explaining how and why Wayne was a natural in the world of WC. His product knowledge was encyclopaedic; he described wines with a unique

¹⁹⁵ What I am referring to here is someone of low-status within the WC institutional/ideological milieu, who is perceived by those of higher status as willing to survive by any means.

degree of passion and experiential knowledge. He also came across as the kind of person who gets things done, making him a customer and management favourite. To customers he was every bit the “attentive host” as per Figure 42, which was paradoxical in light of his wilful ignorance of co-workers’ wants and needs - as I will come to below.

There was more to Wayne’s popularity with management over and above his over-sized share of sales and customer skills though. Something else that distinguished Wayne was that he was high on the self-commitment scale and low on the team-commitment scale, which set him up well under the new regime which sought “partners” and “entrepreneurs.” The very idea of management’s neo-liberal ethos was that managers would act as “buccaneers” who were out for themselves. As per neo-liberal assumptions generally it was assumed that greed and self-interest were good within meritocratic WC, so management celebrated FLSWMs who appeared willing to fight “tooth and nail” to get ahead. If this orientation so happened to make Wayne slightly unpleasant to work with, then management would see it as a price worth paying because “entrepreneurial” types got results in their view. Curiously, I never developed a sense of Wayne being especially committed to the LF regime although his hidden allegiances hardly mattered. That was because his behaviours naturally fitted with regime aspirations for showmanship and charisma so his institutional commitment was inferred on that basis. His outward appearance as a champion of the “WC way” led to him being nominated for upgrade to “partner” by Daisy Bouchard towards the end of the present study.

Unfortunately for Wayne’s colleagues, his ability to “play well with others” barely featured in management’s ideologically-driven appraisal of his aptitude. This represented a problem because even before management’s “*you’re on our own*” tactical retreat, store managers had a profound effect upon the work experience of colleagues (as found by Lloyd and Payne, 2014; Grugulis et al., 2010). Once this epoch became embedded though their capacity to injure and harm co-workers increased remarkably. Being “on your own” meant being *stuck with each other* because the checks and balance once offered by RMs were disbanded with that role and the shift towards “empowerment.” Rotas were no longer monitored and “cover” (the movement of staff between stores to avoid prolonged periods of understaffing in any one store) was no longer overseen by external agents. Also, increased reliance on part-timers meant that managers had to be far more pro-active in recruitment and retention than they had been

in the past. In these senses managers had to step up or their store and co-workers would suffer.

All of this extra responsibility intensified the store manager role in the context of them having also been made *solely* responsible for unit sales *and* profits. Furthermore, it carried the important implication that store managers (rather than RMs) would be credited and rewarded for squeezing front-line costs. The combined effect of these policy offshoots was to shift the frontier of control *inside* stores and *between* store managers and staff (see Figure 43), as will be explained presently. It was made clear in Chapter Six that the old regime favoured “strong man” RMs who were the “shot caller” in no uncertain terms. This came with its problems but a significant upside was that it provided a common (external) enemy for FLSWs to unite against. Hence an external frontier of control displaced internal conflict and partially precluded store team disunity. In contrast, by shifting RM’s control burden to store managers, Meritocracy acted to reposition the frontier of control directly between themselves and co-workers. A predictable outcome was to amplify the potential for internal conflict, especially in cases where managers had a significant degree of self-commitment and a low degree of team commitment - as was the case with Wayne.

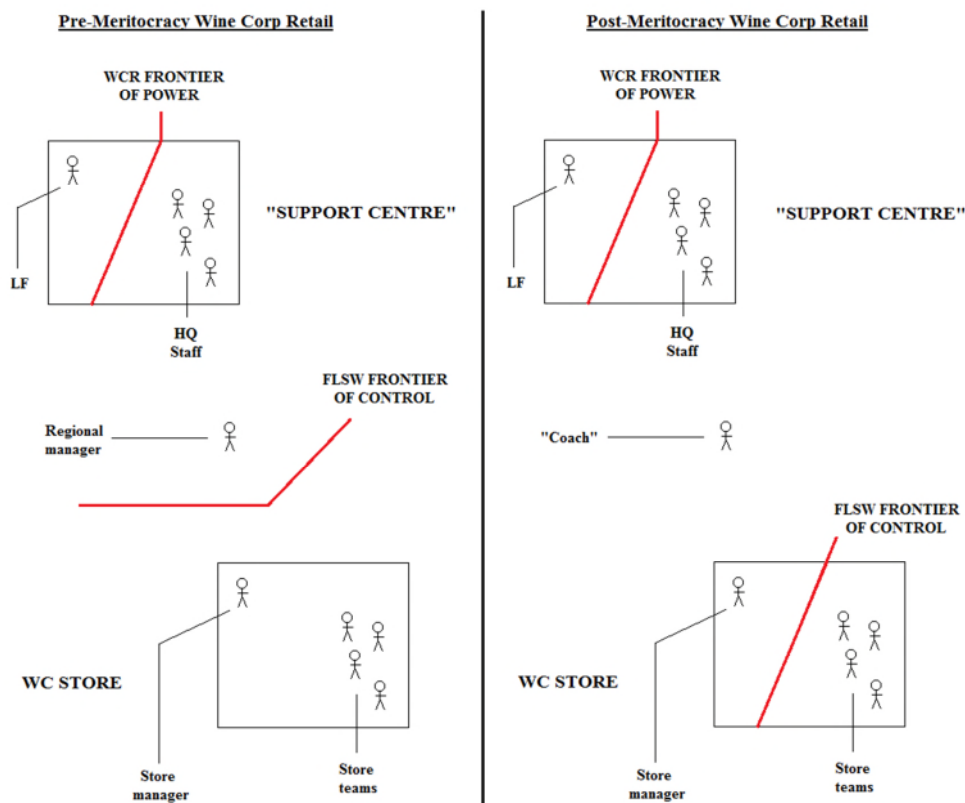
Wayne was notoriously difficult to work with even before neo-liberal managerialism came to life in WC, exhibiting strong neurotic tendencies including anxiety and hostility (see Table 16). Co-workers bore the brunt of these traits which partly explains why two of Wayne’s latest recruits did not return to work after their first day. Wayne made no attempt to soften his rough edges in order to accommodate and induct new starters, making for a hard landing on WC’s shop floor.¹⁹⁶

To make matters worse the very thing that made Wayne a star within the new regime’s ideology (a “get ahead” combative mind-set) was co-determinative of behaviour that made him seem “*out for himself*” and “*not a team player*” amongst colleagues. Over peak-summer 2018 Wayne scheduled himself to work only five out of thirteen Saturdays, whereas historically managers had been made to work *at least* three out of

¹⁹⁶ For a short while in 2017 Canalside was made the main induction centre for new recruits into Region X, as part of a company-wide policy. Soon after this responsibility was taken away after negative feedback from the recruits themselves, centring upon Wayne’s performance in the role. Two of these recruits confirmed to me that they felt they were “*treading on eggshells the whole time*” as one put it.

four. This would have been impossible pre-Meritocracy but Wayne knew that nobody was watching anymore. He also scheduled four of his six weeks of annual leave during this intense period which again, would never have been countenanced pre-Meritocracy. At the same time he failed to recruit and replace the one-day walk-outs mentioned above, leading to the most extreme case of understaffing I that witnessed in 10 years in the company. In the Meritocracy age management had disowned responsibility so FLSW colleagues were literally “*on their own*” with the consequences of Wayne’s neglect in times of crisis. As one might expect morale collapsed and team members sought to leave store or company as soon as possible.¹⁹⁷ Concurrently, the unit lost its “nailing” status for the obvious reason that even the most committed FLSWs could not compensate for shortfalls of that magnitude.

Figure 43: The “meritocratic” shift in the frontier of control



¹⁹⁷ In the 12 months to spring 2019 Canalside had a turnover rate of 125%. The sole remaining team member (aside from Wayne) had widely shared his desire to leave too, only remaining due to a “sweetheart deal” struck with Doug Slazenger on pay and conditions resulting from exceptional circumstances.

In a job where who you work with is “everything” as one interview put it above, management’s tampering with the structure of social dynamics could have profound consequences (see Sosteric, 1996 for an instructive example). For me, one of the things I liked most about working in WC stores was that “proper management” were not present. If you achieved the numbers and avoided complaints you were largely left alone to make the best of it as teams and individuals. In relation, the danger posed by “Meritocracy” was that its attempt to “buy” managers undermined the sense of “all being in the same boat” that was critical to camaraderie and solidarity. Furthermore, it cut managers considerable slack to run stores as personal fiefdoms and thereby facilitated even more extreme abuses than conventional bureaucratic/hierarchical control in WC allowed for. Whilst few managers may have abused the opportunity to the extent that Wayne did, co-workers would have been “*on their own*” in dealing with managers who sought to exploit “empowerment” at their expense.

Section Five: Discussion

Chapter Eight has pursued four objectives: to illuminate the overall level of satisfaction with FLSW in WC; to identify the key positives and negatives that shape the experience of it; to explore links between experiences and outcomes (i.e. turnover); and lastly, to examine key forces and factors that undermine co-worker relations within stores. This latter emphasis was born of qualitative and quantitative data that underlined the centrality of social relations, which is a theme I will return to in closing (see 8.5.1).

The overall balance of satisfaction/dissatisfaction was shown to be a difficult question to answer. WC invested considerable sums in gathering “objective” data to answer this very question but then set about undermining its credibility by pressuring survey respondents to give desirable answers. Management’s motivations may well have been multi-faceted and are likely to be myriad, but a determination to “prove” their logic model and ply “the market” with good news was likely to have been influential. I say this because it fits with a wider behavioural pattern (see next Chapter) of putting “spin” and PR ahead of what could reasonably be construed as reality. Examples of such behaviour are illuminated in Chapters Five and Six.

Management's schemes were not the only barrier to a clear answer to the overall satisfaction/dissatisfaction question. The data drawn upon failed to focus on FLSW specifically, making it highly likely to be positively skewed. Furthermore, anecdotal evidence suggested that dissenters amongst the ranks were the least likely to participate in management-commissioned research. Thus, it is beyond question in my view that circa-80% satisfaction was an artificially high number for WC's FLSWs, although it is difficult to speculate on what a valid number might be. It is also debatable whether numbers are a suitable means of expressing something as complex, nuanced and changeable as job satisfaction in the first place. I would argue that a valid and vigorous understanding of satisfaction and experience requires a detailed understanding of the context and "bigger picture" that framed survey responses. Taken at face value, this data would provide a misleading picture of contentment.

Arguably staff turnover is a better barometer of satisfaction although this too has its problems within the WC case. WC only releases turnover data for "key staff" and there is clear reason to believe that this positively distorts attrition rates. Regardless, WC's average turnover during the LF era was 23% which translates into replacing the key frontline actors every four and a half years statistically. The UK average is thought to be around 15% per year¹⁹⁸ whilst 10% is often floated as a "healthy" number.¹⁹⁹ This suggests that the level of turnover for WC's "key staff" (let alone non-key staff) is more than double what is commonly regarded as healthy.

However, this assumes that WC is operating a HR model based upon conventional logic in terms of retention. The "classic WC" model of mass graduate recruitment was not typical to my knowledge; I am not aware of any other organisation that has taken this approach to FLSW. In 2015/16 WC recruited over 250 graduates making it the UK's second largest graduate employer at that time.²⁰⁰ According to Wallace et al. (2000 – see Chapter Three) a large pool of potential labour is one of the necessary contingencies

¹⁹⁸ <https://hiring.monster.co.uk/hr/hr-best-practices/workforce-management/employee-retention-strategies/what-is-the-ideal-employee-turnover-rate.aspx>

¹⁹⁹ See as examples: <https://smallbusiness.chron.com/healthy-employee-turnover-rate-12145.html>; <https://business.dailypay.com/blog/employee-retention-rate>

²⁰⁰ According to WC's Annual Report for that year.

of “sacrificial HR,” where the idea is to use up and burn out FLSWs’ energy and goodwill until they leave “voluntarily.” With its “graduate scheme” WC tapped into a large labour pool and arguably created a system that *depends* on high turnover rather than high retention. If using up and burning out was the tacit objective of the WC model then 23% turnover may have been considered “healthy” (or at least cost-effective). That is because it circumvents the costs of *genuine* “sophisticated HR” (as Wallace et al. 2000 argue) required to achieve high-performance *and* high retention simultaneously. This would probably mean wholesale improvements in rewards, working conditions and quality of life that management were unable or unwilling to support.

Moving onto the positives and negatives of experience, the data seems clear that social relations within stores can be a meaningful positive of WC FLSW. The product itself underpinned one of the most positive aspect of working with customers; that being, selling wine. A common phrase heard in WC was that “*if you don’t like wine there’s not much point being here.*” Other FLSW studies (see Wright 2005; Leslie, 2002) have illustrated the special meaning that products can hold for FLSW, enabling some organisations to attract/retain labourers at subsidised rates. This is because proximity to esteemed products is a reward in itself (*ibid.*) and evidence suggests this was be the case at WC.

Setting aside social relations for a moment, the other standout positive experiential factor was “*the stuff I do every day.*” The implication in the question (from which the response was drawn) was that this referred to “stuff” other than dealing with colleagues and customers as these were specifically asked about. Respondents were therefore likely to have interpreted “stuff” as meaning the “operational” side of the work as detailed in the Appendix (Section 6). An outsider may expect these elements of WC FLSW to be distasteful to young graduates and it was to some (John above being a case in point). However, a large proportion of WC’s graduates (as well as non-graduate part-timers) made this their niche sub-specialism and considered it an enjoyable aspect of the work (as discussed in Chapter Seven, Section 3). It provided some with a way of contributing that better fitted their natural inclinations. It enabled others to work around relative skill deficiencies whilst simultaneously providing space for colleagues to exercise their relative advantages. Thus, a key reason the “*stuff I do every day*” was a popular

experiential aspect of WC FLSW was because it represented a domain in which a considerable number could positively contribute to store life. Hence, whilst cleaning and organising may have been a burden to some they were favoured aspects of the work experience for others.

So what was bad about WC FLSW? An overwhelming consensus formed around the notions that pay, working hours and “quality of life” generally were amongst the most repellent aspects. In my view pay was considered the least problematic aspect of this unholy trinity, as other quality of life factors (the inescapability of long hours and weekend work in particular) acted as greater barriers to lifestyle aspirations. A typical leaver’s story would feature comments like “*oh the pay’s about the same/a bit more [in their next role] but...*”. But would be followed by a predictable menu of gripes about WC life and how it is managed. As was mentioned above, the “management problem” sat alongside pay and condition as the thing least likely to compel WC’s FLSWs to stay.

8.5.1 The co-worker effect

When I think about the colleagues I have worked with and the customers I have served (see Section 7.3.2.), Dickens’ classic line “*it was the best of times, it was the worst of times*” springs to mind. At its best the social experience of co-existing with customers and colleagues came with intrinsic rewards. Even when it was not at its best, workplace social relations could still infuse work with meaning and pleasure. Mocking awkward customers could break the tension and monotony for example, whilst “sticking it to the man” could give one a pleasant sense of moral and intellectual superiority that took the edge off their latest act of villainy. Management may not have appreciated the contempt they were held in, but its usefulness in forging bonds seemed self-evident. It was those bonds that “[could] *pull it through or bring it down*” to quote a colleague above, which aptly illustrates the immediate and *sustained* influence of co-workers over the day-to-day experience of WC.

A key theme of this chapter has been to show how personality types and the nature of commitment *mattered* to the FLSW experience. Neither FLSWs nor customers left their

personalities at the door upon entrance; sociable people continued to be social whilst less social people continued to exercise their willingness to do otherwise, albeit where space allowed. One of the things that I found ironic during my research was that Wayne actually partook in the Myers-Briggs test as part of his management training, which is based upon Jung's typology (Table 17). The idea was that he would learn about his strengths and weaknesses and reflexively moderate his behaviour in pursuit of performance improvement. What made this somewhat comical was the fact that he was privately working through course material whilst periodically appearing on shop floor and displaying the negative traits he was supposedly unlearning. It was not just me who picked up on the irony; a co-worker observed at the time *"he's supposed to be learning about his personality ... It's not working."*

It is of course naïve to think that a leopard might change its spots after a questionnaire and light reading, but it did reinforce my view that a FLSW's behaviour (as well as its effects upon co-workers) was driven by involuntary psychic forces and factors – at least in part. Wayne "conformed" despite himself from my perspective, which was a by-product of traits and attributes he naturally embodied. In contrast, John struggled to adapt to store-level and institutional-levels norms even though it caused him pain to defy them. As my colleague remarked *"he felt like head office was out to get him"* which would almost certainly have underpinned unease in the workplace. Thus, my argument is that personality and commitment-by-type were important aspects of the behavioural and experiential jigsaw puzzle in the WC case.

These reflections on the difficulty of inducing change in individuals puts management's attempts at "cultural control" into perspective (see Legge, 1995). It was hardly surprising that LF eventually turned to threats and dismissals (see Chapter Six and Nine) because tinkering with the HR system and chanting mantras proved quite inadequate in the face of entrenched patterns of individual and team behaviour. At best management were preaching to the converted; at worst they were upsetting delicate social balances whilst failing to understand the downstream ramifications.

I believe that the shift of the frontier of control (as depicted in Figure 43) was both causes and consequence of a calculated attempt to “buy” store managers’ regime commitment, to the detriment of other forms. In simple terms it was a divide and conquer strategy that risked sabotaging one of the primary bases of commitment; that being, positive social relations and a determination not to let your co-workers down. Management benefitted from this vicariously so breaking team spirits seemed like an unlikely means of improving performance or commitment to their goals. For better or worse teamwork in WC’s stores was a complex outcome of structurally-embedded negotiated orders, with sub-cultural elements that expressed the personality and commitment(s) its members (see Section 7.1.7 for examples). Residual space to “be yourself,” appropriate meanings and resist “business bullshit”²⁰¹ within teams was amongst the best things about working in WC’s stores (and other relatively humanistic FLSW environments – see Filby 1992; Benson, 1978, Paules 1991 in Chapter Three). Research and theory has pointed to the value of authenticity and genuine teamwork as facilitators of positive FLSW experiences (see Hochschild, 2012; also, the bleak house/happy house studies in Chapter Three), so an assault upon these bodes ill for WC and its FLSWs.

²⁰¹ Spicer, A. (2017) <https://www.theguardian.com/news/2017/nov/23/from-inboxing-to-thought-showers-how-business-bullshit-took-over>

CHAPTER NINE: DISCUSSION

Introduction

Prior to concluding arguments it is worth taking a moment to reiterate some key propositions set out in Chapters Two and Three. Two main points were explicated in relation to the theorising of FLSW (Chapter Two):

1. That bridge-building appears to be most fertile soil for the advancement of knowledge.
2. That people generally recede into the background in terms of the “variability of human character” as Bolton and Houlihan (2005: 692) described it.

With reflection upon the latter point it was argued that a stratified ontology synonymous with critical realist philosophy (CRP – see pp.72-77) may serve as a bridgehead to avoid the pitfalls of structural or agential reductionism (O’Mahoney et al., 2018). CRP codifies the conventional sociological tradecraft of separating out people and parts for analytical purposes,²⁰² so that their respective powers and properties may be synthesised.

The review of evidence in Chapter Three made three additional points. The first was that the evidence base overwhelmingly implied that control dynamics lie at the heart of the FLSW experience. The second was that few studies have adequately illuminated the “service triangle” in its entirety, generally focusing upon one group or link (typically the FLSW-management dyad) to the exclusion of others. The third point was to argue that the *use* of powers (i.e., how and why agents use their powers in the way that they

²⁰² O’Mahoney et al. (2018: 577) point out that many “classic” theorists (e.g., Marx, Weber, Durkheim, Polanyi, Veblen and Bourdieu) exhibited realist assumptions.

do) was ill-explored, even in instances where the basis of power differentials were articulated.

These positions shaped the point of departure for my study, both in terms of the research methods and the style of data presentation. Speaking to the latter point, the idea has been to explore the subject matter chronologically in an attempt to illustrate the ways in which agency has been shaped by structurally embedded constraints/opportunities at given points in time. Those deployments of situated agency then become the constraints/opportunities for *subsequent* generations of actors, so on and so forth. Critical realists refer to this as “anteriority,” which encapsulates the notion that contemporary actors are not simply constrained/enabled by other contemporary actors (as social constructionists imply). Rather, limits are equally (and perhaps to a greater extent) imposed by historical others who bequeathed a legacy of structural and systemic objects. These things are *real* (e.g., constitutions, infrastructure, assets, liabilities) and cannot be whimsically “talked out of existence.”

That said, a key distinction between social objects and objects of the physical world is that the former are not entirely inalterable. Social objects may be subject to reformation, especially by individuals or groups who exercise “actual” or “real” power over social relations at the empirical level. Such latent and structurally-embedded powers sit outside the interactions and transactions of everyday life according to Bhaskar (1989). They manifest and reveal themselves at times of crisis, thereby providing a rarefied window into the deeper stratified powers that order everyday societal affairs.

To illustrate the significance of CRP concepts in my longitudinal case study of FLSW in WC, a decision was made to tell the story chronologically. Thus, Chapter Five told the story of the organisation’s inception and “classic model;” Chapter Six Part A outlined the steroidal impact of Dan Mitchell (DM) upon the company and FLSW experiences therein; and Part B analysed the two phases of Lyle Fisher’s (LF) “Wine Corp 2.0” era in light of their effects. I hope to have shown that none of these epochs occurred in a vacuum. They were each outcomes of people and parts intersecting with opportunities and constraints both internal and external. Building upon this, a key

objective for the present chapter is to further synthesise the nature of these multifaceted interactions as part of a historical continuum driven by *actors*.

This aside the overarching task below is to explicate *theoretical generalisations* about the experience of FLSW, making use of “retroductive” reasoning to draw inferences from the data. As a reminder, retroduction involves working backwards from the evidence and imagining *what has to exist* in order to explain manifest patterns. Their very existence implies that those things are likely to enact themselves in similar ways in similar contexts, even whilst those contexts may be unique in terms of their historical trajectory and the *specific* forces and factors acting upon them. I therefore proceed on the assumption that WC is unique case, albeit one that may provide valuable insight into other cases subject to similar internal and external tensions. To illustrate the wider resonance of my theoretical propositions I draw parallels between WC and other well-known cases. Furthermore, I situate my claims in relation to theory and research that has explored particular aspects of my theoretical framework.

In the spirit of bridge-building I have developed an interconnected set of explanatory models that encapsulate my understanding of the experience of FLSW in WC. Much of the discussion centres upon laying the groundwork for these models via cross-examination of the data. Section 1 begins with a discussion of an important element of Hochschild’s (2012) *emotional labour* thesis; the significance of which only emerged as I came to consider the nature and meaning of social life in WC stores. Taking my cue from the debate outlined I propose the utilisation of Goffman’s (1959) dramaturgical analysis, as a means of developing a model of the WC FLSW experience that I call *amphitheatrical relations*. I believe this model provides a useful construct to illustrate and examine the relative capacities of agents and structures that produce and reproduce WC.

Section 2 focuses on management’s agency, with the intention of clarifying why WC’s recent history followed the trajectory that it did. My position is that both regimes were constrained (and enabled) by a mutually constitutive set of “external” forces with profound power and reach. What I am referring to here is the ideological/structural

nexus of neo-liberal managerialism and *shareholder value maximisation* (SVM), which intersected with the power and influence of “royal box holders” to funnel management’s choices. Section 3 seeks to further synthesise the significance of my contribution by comparing it to the propositions of du Gay (see Chapter Two) and Rafaeli (1989). I selected these works because they are useful in underlining key points of theoretical and empirical differentiation. Finally, Section 4 summarises my conceptual model and explains it as both a cause and consequence of the socio-economic stratification it embodies.

Section One: Incorporating social behaviour into economic arenas

I recently read a fascinating book on world affairs which took as its main premise the notion that the “*geo*” part generally goes missing from *geo*-political analysis.²⁰³ The focus tends to be today’s actors and dramas with the consequence of neglecting or ignoring their geographic bedrock. Taking the opposite tact, the author aims to put “*geo*” back into analysis by showing how forgotten fixed factors – such as mountain ranges and coastal access routes – continue to transfix the gaze of contemporary stage actors.²⁰⁴

Having read the book at a timely moment, the premise led me to consider whether an analogous oversight occurs with *socio*-economic analysis. Is the *socio* part lost in work studies via over-emphasis on economic forces and factors? Or is it in fact valid to foreground the latter and background the former, perhaps in line with Marx’s (1971) premise that the “superstructure” (social lives in capitalist economies) is etched in the “base” (its relations of production) and explainable in relation to it?

A similar concern over the conceptual space afforded to social behaviour within FLSW inspired Bolton’s (2005) critique of Hochschild’s concept of emotional labour (as

²⁰³ Marshall, T. (2015) – see references.

²⁰⁴ *Ibid.*, Marshall’s discussion of Vladimir Putin’s deployment of agency in the Crimea is an instructive example, pp. 4-31.

reviewed in Chapter Two).²⁰⁵ Bolton argues that Hochschild overplays the division between private and public spheres of emotional management, which is partially an offshoot of the latter's conflating the terms "public" and "commercial" according to the Bolton. This then precludes Hochschild's ability to identify subtle distinctions between emotional work performed in the production of commercial services and that originating "*during normal social interaction in the workplace*" (p.60).

Bolton extends her critique by arguing that emotional labour is but one form of "feeling rules and associated motives" (p.100) that prevails within commercial confines alongside three others, which differ by virtue of their source. Importantly two of Bolton's four types occur "outside" corporatized life even though they play out within its boundaries. These she refers to as "philanthropic" and "presentational" rule/motives, with the former referring to free and voluntaristic giving and the latter expressing emotional management in accordance with wider socialised norms.

The crux of Bolton's argument is to say that there is more to the FLSW experience than corporate subjugation and alienation. Space remains for workers to enact modes of *human* conduct that are fundamentally disconnected from the capitalist pressure cooker in which they take place. What makes this position noteworthy is the manner in which Bolton's re-articulation of Hochschild's thesis encapsulates the spirit of putting the "*socio*" back into *socio-economic*, to redress treatments that excessively centre upon *homo-economicus*.

Nonetheless, as much as a re-alignment of emphasis holds promise some have argued that Bolton's conceptual disaggregation of social and work experiences within work is a false dawn. The problem stems from Bolton's underlying assumption that social relations in FLSW hold meaning over and above the extraction of surplus value. What this fails to acknowledge is that the point of commodification lies *upstream* of actors' performances, at the moment when labour *power* is purchased. By implication the structural antagonism between capital and labour is embedded before roles are actually

²⁰⁵ Bolton's interest in "reintroduc[ing] humanity to the analysis of the employment relationship" (Bolton & Houlihan, 2007: 10) is made clear in the introduction to their essay collection *Searching for the human in human resource management*. See references.

enacted, meaning that downstream experiences are fruit of the commercialisation/commodification tree. As Brook (2009: 539) explains:

“irrespective of workers’ witting intentions during the execution of emotional labour, their performance and display ... is bought and paid for labour time and capacity, and is therefore primarily a commodified product; albeit of a contested, open-ended variety.”

I accept Brook’s point but nonetheless contend that there is room to build upon Hochschild’s work by better expressing the agential scope of FLSW actors, bringing to light their idiosyncrasies and the mediating effects of work groups. The most promising toolkit in this regard is Goffman’s template of dramaturgical analysis as explicated in *The Presentation of Everyday Life* (1959).²⁰⁶ Several facets of this micro-study of social interaction are relevant to the present discussion, although they can be broken down into (a) those relevant to actors and (b) those relevant to settings.

Speaking of the former, Goffman came to see the actions of individuals within social contexts as staged performances where they seek to control audience impressions by altering/fixing their manner. Viewed in this way social behaviour is concomitant of role play, whereby individuals acts out situationally defined performances (e.g. the role of customer or FLSW). Their being situational means that roles are subjected to normative expectations, drawn from wider social experiences. For example, my knowledge of how to act as a customer is based upon my past experiences and observations of actors within similar customer-service settings. This guides my view of what is “normal” and appropriate and I act out the role accordingly so as to avoid sanction or discomfort.

Perhaps more interesting are Goffman’s remarks on the role of the settings because these introduce structural dimensions into his analysis. Goffman conceptually stretched Shakespeare’s the “*all the world’s a stage*” metaphor much further than his

²⁰⁶ Goffman’s body of work was described in Chapter Two.

contemporaries did, by incorporating *all* elements of acting into his analysis. In his view real social productions have a “front stage” and “back stage” just like theatre productions do. Actors within each are similarly enabled and constrained by “props” made available in the setting, whilst both types of production also feature performances that are honed to particular audiences in particular places and spaces.

Anteriority revisited: stages, roles and props

These distinctions capture the nature and experience of FLSW in WC stores in a series of ways. To explore significant examples it is worth returning to the theme of *anteriority*, because it may be argued that the key mechanism of past management’s control upon present WC actors is that they selected the stage(s) and props.²⁰⁷ Arguably the most important legacy factor bequeathed by the founding regime was its decision to utilise marginal premises in low-rent parts of town with ample floor space. As was described in Chapter Five these “stages” were not designed with retail in mind. Disused open-plan warehouses were the norm because they were cheap and compatible with the “inside-out” store design that management had in mind. Stock would be kept “front-stage” thereby removing the cost of back stage “dead spaces”²⁰⁸

When these decisions about store design were combined with the logic of *lean functional flexibility* the implications for FLSW were profound. By locating backstage activities and physical goods (i.e. stock) on shop floors much of the spatial separation between frontstage and backstage was removed. A related effect was to collapse role distinctions between frontstage (commercial) and backstage (operational) acting, because both roles would be performed on stage by the same actors. The removal of these boundaries imposed tensions that remain central to WC FLSW and the experience of it to this day. On one level management have repeatedly waged war on store “bureaucracy” and those who sub-specialised in the swathe of “back of house” operational dimensions (see Section 7.3.1). This is in spite of the fact that store design physically fixed operational labour processes as on-stage performances, meaning that

²⁰⁷ All stores within the WC chain were acquired and set up during the “classic” or DM eras. Consequently they embodied and embedded the priorities of that era.

²⁰⁸ Both within retail units and distribution hubs.

FLSWs had no choice but to perform “bureaucracy” therein. On another level, the patterns of conflict and accommodation that have emerged within teams deeply related to actors’ pursuit of equitable and logical divisions of commercial/operational labour in light of individual proclivities (see Chapters Seven and Eight).

The foreseeable role span of FLSW in WC was the primary justification for the development of a graduate management trainee scheme in the first place. Management did not imagine that FLSW would require cutting-edge analytical competence or evaluative skills. The logic of recruiting graduates *en masse* centred upon the belief that individuals drawn from that labour pool would have the ability and willingness to effectively perform multiple roles condensed into one. Hence, the framing of FLSW roles as management traineeships where performers would “learn all aspects of the business from the ground up”²⁰⁹ – acting as sales assistants one minute then account clerks or merchandisers the next. For many recruits this was central to its appeal. The role would neither be pure sales/service nor pure operational, allowing individuals to accrue experience across a social and technical spectrum in spite of their natural bias towards one aspect or another.

Moving onto “props,” the other definitive legacy of the founding regime was the agential role it played in store I.T. When WC introduced electronic points of sales [“EPOS” – computerised till systems] in 2004, it bought a software suite originally developed for the London Eye.²¹⁰ It barely needs stating that a multi-channel retailer with 1,000 products per store would benefit from a bespoke software suit, customised around its service quality aspirations. Yet management opted for short-term gain (cost savings) at the expense of long-term pain for FLSWs, who have been stuck with that decision for over a decade.

If a “workman is only as good as his tools” then it is not entirely untrue to say that WC’s FLSWs are only as good as their software. As soon as EPOS was rolled-out it

²⁰⁹ According to the recruitment “sales pitch.” Interview data suggested that many of the recruitment tactics from my interviews in 2009 remained prominent in 2018. The “owning your own store” rhetoric has grown in prominence during the LF regime.

²¹⁰ A funfair ride on the banks of the Thames.

became clear that it was riddled with bugs and functional flaws – put simply, it was outdated upon arrival. After a decade of experience with EPOS I still struggled with this dysfunctional and antiquated system, often with a customer in front of me growing increasingly impatient as I try to “fudge” some solutions without creating new problems (e.g. the till being “down” or stock discrepancies). WC’s clunky “internet-1.0” EPOS was like a dial-up modem in a smartphone age, imposing an endless stream of disruption to management’s fantasy of seamless multi-channel retailing.

Despite this, the cost and complication of replacing EPOS (which also houses the once-celebrated customer database) were high so LF’s regime resisted calls for its replacement. Management only surrendered when they realised that the system would unlawfully contravene consumer data protection regulations, introduced in 2018.²¹¹ Simultaneously they realised that the problem was systemic rather than cosmetic so it could not be patched over quickly and cheaply. Thus, higher powers of the “external environment” (see the model in Figure 44) unwittingly intervened in this long-running struggle by removing management’s discretion.

These are but two important examples of anteriority at work, illustrating how the agency of past management cast a long shadow over present day actors through decisions concerning props and stages. To further illustrate the interplay between past and present forces and factors I have presented them in a series of chronological flow diagrams (see Figures 51-53).

9.1.1. The people and parts of amphitheatrical relations

As the unfolding analysis indicates WC’s FLSWs have at no point had control over the design of their stores or the props made available. Furthermore, it is fair to say that the current regime have been hamstrung by the agency of past management too. As was argued in Chapter Six the “classic WC” model featured a web of interlocking components that imposed path dependency on future actors. Put simply, it made it hard

²¹¹ EU “GDPR” – see <https://eur-lex.europa.eu/eli/reg/2016/679/oj>

for management to unravel key elements of the model without incurring higher costs and unleashing unforeseeable risks.

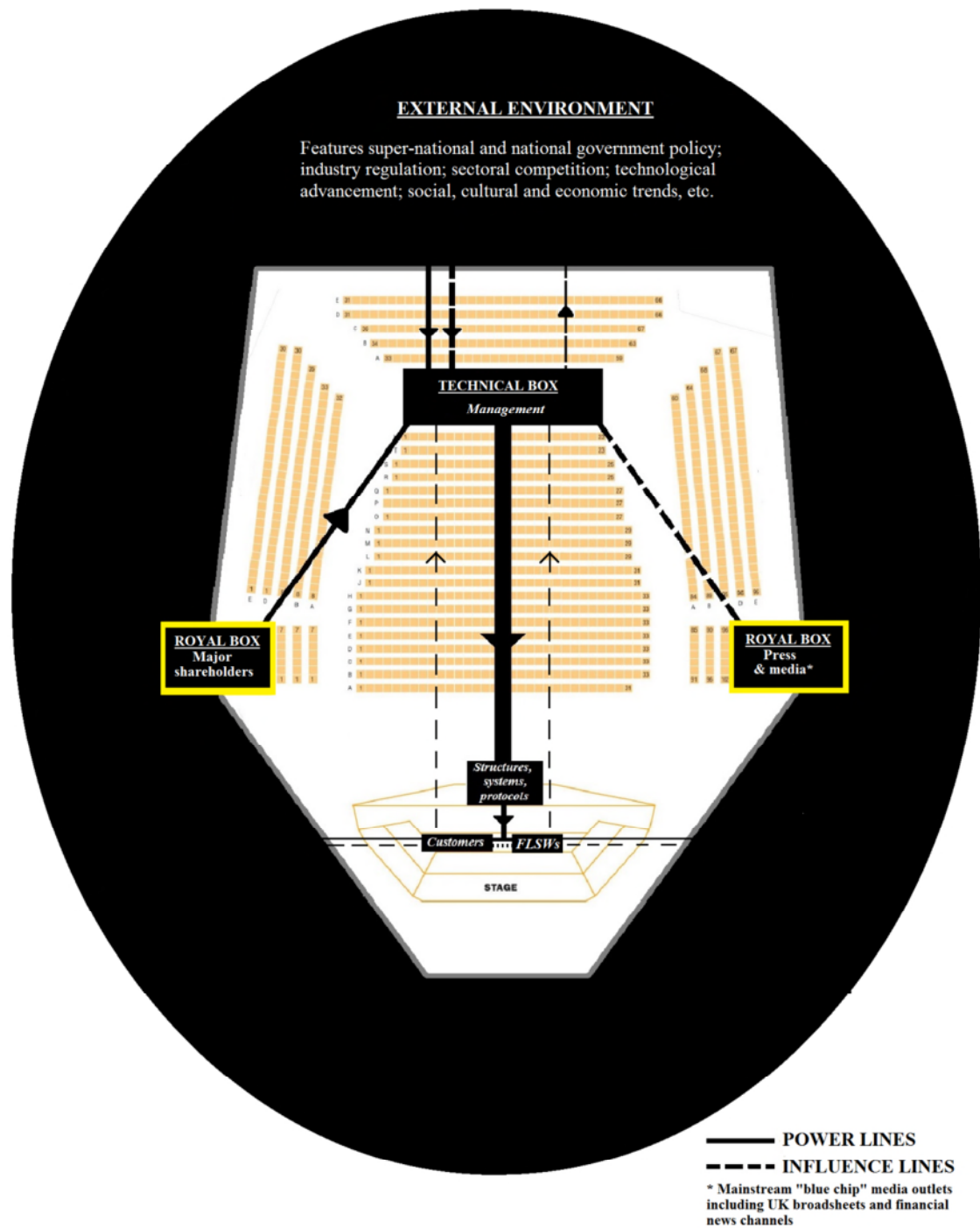
Nonetheless, even if past agents set the stage this is not to say that they have determined what plays out there. Role performance and experience in WC FLSW is a complex outcome of *socio-economic* relations in the broad context of UK political economy. In turn, each of the major actors who constitute the WC “role set” has structurally bound roles on the one hand and significant degrees of agential scope on the other hand. Figure 44 provides a graphic update of Goffman’s dramaturgical metaphor as it applies to the experience of FLSW in WC. As can be seen the basic model of *actors* performing on a *stage* with *props* (referred to as “systems” in the model) has been retained. What has been added to better reflect the forces and factors central to the WC case is “royal boxes” (occupied by the two most powerful/influential “external” actors) and a “technical box,” occupied by management.

Management’s technical box is composed of “levers of power” (see Figures 45-48) that they can manipulate to mould substantive aspects of performances on the WC stage. It is housed at a distance from the production itself, which is a by-product of its functioning as national “brick-and-mortar” retail chain where “conception” and “execution” are enacted at distinct physical locations (Braverman, 1974; Rafaeli, 1989). Regardless, the technical box owes its existence to management’s desire to control and condition FLSW actors so as to ensure that productions are conducive to the generation of surplus value.

The other noteworthy constituents of *amphitheatrical relations* are the audience and the “outer walls.” The latter refers to the largely impervious structural bedrock that WC is itself couched in. It is composed of structurally-embedded actors and *things* that are independent of WC and external to it, with powers and properties of their own. Key examples are markets; competing organisational entities; suppliers; industry regulators; legislative branches; and national and supranational government executives. As for the audience I extend Goffman’s (1959) view that this comprises *all* actors who participate in the production and reproduction of the WC amphitheatre, not just on-stage

performers. To take myself as an example, I am an actor upon the stage but also a reflexive observer of colleagues and customers. Furthermore, I know that there is a world “out there” that regulates my agency and proceed upon the assumption that others are similarly aware and act accordingly.

Figure 44 Wine Corp amphitheatrical relations



The remainder of this chapter seeks to disaggregate *amphitheatrical relations* in order to explain them in terms of their component people and parts, thereby illuminating respective roles in the production. I will start out with a discussion of the FLSW “stage actors” (FLSWs and customers) within the “service triangle.” This will be followed by analysis of management’s deployment of agency within the “technical box,” which is tightly interwoven with the power and influence of the “royal box holders” as subsequent sections explore.

9.1.2. Between fantasyland and reality – actors on the main stage

The WC shop floor is a social space even if the basis of its production and reproduction is economic *in the first instance*. As was described in Chapter Six (Part B) management’s rhetoric has been anchored in a unitarist “*black and white*” worldview of cause and effect. Their logic went like this: (1) happy and “fun” staff will lead to (2) “wowed” customers who enjoyed their time in store, meaning that (3) they stayed longer and spend more and (4) visited more often and become “loyal” members of the WC “community.” In addition they (5) told their friends and family about the wonders of WC so that they too could discover WC and bask in its warm “stakeholder capitalist” bosom. Driving this vision was not the technocratic stuff of revenues and profits according to LF but rather, an authentic desire to carve out a win-win dynamic that benefits capitalists as a happy coincidence of “doing the right thing.”

The problem with this pleasant fiction was that it endlessly chafed with frontline reality and it fell to FLSWs to actively manage endemic frictions. Indeed, a useful heuristic for understanding the daily experience of FLSW in WC is to see it as an unending cycle of managing contradictions that inevitably arise between management fantasies and FLSW realities. Korczynski (2002, 2008 – see Chapter Two) placed emphasis upon a tension between enchantment and bureaucracy at the FLSW-customer interface. My argument is that a disconnection between imaginary and practical realms underpinned tension between management and stage actors generally.

So when I talk of frontline “reality” as the counterpoint to management “fantasy” what do I mean? Firstly, it is important to be clear on what I do *not* mean. I am not saying

that there is a simple binary of management fantasyland and FLSW truth. Nor am I saying that certain individual members of management do not “*get it*,” even if they feel obliged to mimic the make-believe for whatever reason. The distinction I am seeking to identify is that FLSWs have to *live with* the gap between rhetoric and reality, whilst seniority in WC goes hand-in-hand with distance from and inexperience in FLSW. The far more visceral experience of management policy and ideology at the interface of FLSW exposes faults and flaws in an emotive immediate sense.

Regardless, the social experience of WC stores is an outcome of FLSW *individuals* functioning in *teams* to perform roles with numerous operational and commercial elements. It is the latter element that brings WC’s second actor to the stage – customers. A particularly inconvenient truth for management is that customers are not all looking for excitement or “enchantment” as part of their experience. This is to over-simplify empirical reality to a dangerous extent²¹² (see Chapter Seven), putting staff in the firing line of customer resistance whilst threatening to counteract management’s “2.1” logic model (Figure 26).

“Forced fun” for customers and staff alike can be a heavy burden. It is easy to imagine a customer visiting a store after a long day at work, seeking only to choose some wine in peaceful environment. Given that mission it is equally easy to imagine how annoying that customer might find it if a FLSW imposed themselves and persisted in the role of amateur entertainer. Some such customers may vow never to come back, as I myself have done after customer experiences of being harassed. The majority may suffer in silence, perhaps deploying subtle signs that they wish to be left alone and/or moderating their behaviour in response (e.g. picking faster, leaving sooner). Still others may forcefully resist the sense of imposition, making it clear to the FLSW that “fun” is optional not obligatory. Rarely will the latter fight back, but they will almost certainly feel resentment towards management for putting them in the firing line through their manipulation of power levers.

²¹² Sutton & Rafaeli (1989) made an analogous argument concerning management’s pressure upon FLSWs to “serve with a smile” in convenience stores. They argued that management’s expectations were contradictory and antagonistic *vis-à-vis* FLSW-customer relations.

What these dynamics indicate is some of the complexities surrounding “commitment” and “resistance” as well as nuances relating to people. Sensible FLSWs try to read the customer and glean an impression of the *type* of customer they are dealing with. They then tailor their behaviour accordingly, investing more or less time and energy depending upon their perception of the customer’s wants and needs.²¹³ In some cases this means leaving the customer alone and in other cases it means “handholding” and entertaining. Herein lies the problem: management is resolute that “boring retail is dead,” so leaving a customer alone is tantamount to a dereliction of duty. From management’s perspective anything short of full/high value added service is a missed opportunity to imprint WC in the customer’s mind making “loyalty” less likely.

The perversity that this mind set introduces is that by reading customers and tailoring as described I am “resisting” management, even if I do so out of a genuine conviction that I serve the company’s best interests by doing so. Understood in this way “resistance” is actually commitment that management would interpret as defiance. My research suggested that most FLSWs are “resistant” along the same lines, based upon a shared belief that most customers fail to resemble management’s idealised fantasy. FLSWs also knew that those marginal few who did conform to the fantasy (typically being “over-social” in nature) confounded management’s logic rather than confirm it. What I mean is that these customers are probably amongst the *least* profitable once staff effort versus reward is factored in. If every customer was as resource inefficient as these over-social archetypes then stores would cease to function under the weight of their demands and expectations. It is therefore fortunate that the majority of FLSW actors continue to enact their roles in their own way, rather than as management envisage.

9.1.3. Social space and the location of management power

The structural position of management in the technical box is the basis of its power but also the main constraint upon it. Management has to rely upon frontline agents to perform with some degree of self-directed autonomy because micro-management is expensive and prone to negative net returns past a certain point. Furthermore, a “high road” service quality model cannot be delivered by FLSWs locked in a straightjacket of

²¹³ For the sake of simplicity I am assuming here that the FLSW has time to assess the customer, which is not always the case (see Chapter Six).

technical and bureaucratic constraints. Such conditions are associated with the “computer says no”²¹⁴ service of low-road operators that customers are willing to pay a premium to escape, so long as the pay-off feels justified.

It was in the residual spaces beyond management’s reach that individual variation inevitably and necessarily flourished amongst WC’s FLSW actors. In the first instance “customer missions” varied considerably, underpinning the WC truism that “customers are all different” and have to be treated as such. In the second instance and perhaps paradoxically, customers conformed to types and reverted to them so long as extraordinary circumstances did not preclude their doing so (e.g. FLSWs imposing an alternate agenda). For some reverting to type meant projecting an outgoing sociable persona, probably reflecting how they enact themselves generally within the public sphere. For others it meant warding off unwanted attention and pressure, making use of normative social cues to safeguard personal space.

What may be said of customers may also be said of FLSWs, although the situation is more complicated. Firstly, FLSWs were subjected to management power levers in a far more systematic and direct way than customers. Secondly FLSWs had more at stake, in that WC provided them with a living or necessary supplementary income. Thirdly, FLSW in WC was more than just a job for most FLSWs. Often work constituted a social hub and a place of cultural significance given their personality affinities with the people and the product that WC specialised in. Each of these factors served as powerful bases of “commitment” or “resistance” depending upon where the lines were drawn by management at any given time. Oscillation meant that their location was constantly moving, so “heroes” of one era may be recast as “villains” in the next – as Doug Slazenger discovered.

²¹⁴ This is the catchphrase of fictional FLSW “Carol Beer” in seasons two and three of *Little Britain*, a TV sketch show, aired 2003-2007 [Written by Walliams, D. Lucas, M. UK: British Broadcasting Corporation]. Its cultural resonance was underlined in a recent article on the service culture of the Home Office, a large UK government department. See: <https://www.theguardian.com/politics/2018/may/08/civil-service-advice-to-amber-rudd-during-immigration-row-to-be-examined>

As this implies time was a critical factor in the experience of WC FLSWs. Individuals were tacitly aware of the requirement to “put on a show” and accommodated it through their varying capacities as actors. Few had a problem with acting *per se* but most had reservations over the sustainability and reasonableness of management’s performative expectations, especially during the LF era. Even the most committed of FLSWs would soon become exhausted by a role that stretched them far beyond their comfort zone for prolonged periods. It should be emphasised that WC remained structurally dependent upon small functionally-flexible teams working nine or ten hour shifts throughout the LF era, so typical days were an endurance challenge purely in physical terms. Against this backdrop some degree of resistance was an inevitable outcome of management’s excessive demands.

Those least likely to “tune out” management’s performative expectations were the “bleed blue” true believers who also had a natural disposition for the social gregariousness that management conspired to disseminate. This FLSW type tended to combine a high degree of regime commitment with a natural social orientation that made “deep acting” (Hochschild, 2012) comparatively effortless. At the other end of the spectrum those who did tune out performative demands were not necessarily the recalcitrant saboteurs of management rhetoric. Many were committed FLSW who nonetheless resisted because they (a) felt too alien; (b) felt too tiring or (c) seemed counterproductive, given that a large proportion of store work remained operational – providing space to sub-specialise as discussed in Chapter Seven.

Regardless, in the idealised world of management make-believe it was imagined that FLSWs could enact an illusion whereby operational facets ceased to exist and they would only have eyes for customers. As a consequence the latter would have their expectations of excitement and entertainment fulfilled and would commit to WC exclusively on that basis. The problem for LF’s regime was that all too few on either side of the stage actor divide were willing to play along with the make-believe and profits were *not* taking care of themselves (as their logic model assumed). Most customers and staff “operated at a cynical distance” (Fleming & Spicer, 2003) from

management and its constant drives to yield *more* out of stage performances.²¹⁵ It appeared to be the case that management were “preaching to the converted” whilst the majority sought to minimise the threat and/or maximise the opportunity without substantively altering their role performances.

Summary

When the intricacy of socio-economic relations in WC stores is considered – especially with a view to management’s regulatory power – it seems difficult to sustain a position that a social realm exists “outside” of capitalism yet within its spatial confines (as per Bolton above). The consumer capitalism that WC embodies both enables and constrains social exchange as an intractable and meaningful element of economic exchange. Put another way, social space is a *necessary condition* of the business model that in and of itself imposes limits upon management’s capacity to control stage actors. Closing or suppressing that space risks “throwing the baby out with the bathwater,” which explains the company’s large investment in means of control that do not *directly* infringe upon FLSWs discretion and autonomy (i.e. “Meritocracy”). DMs attempt at draconian direct control delivered a self-inflicted wound that remained etched in the institutional memory.

To illustrate the long view of strategic oscillation I have produced a series of “control panels” which show how management “changed gears” to impose its agenda. Figure 45 shows the configuration of the “classic WC model” and Figure 46 shows the changes made by DM (note: arrows show the extent and direction of change). As can be seen the thrust of the DM era was to reduce costs across the board whilst shifting towards “direct control” (Edwards, 1978). Figure 47 shows LF’s initial attempt at reinvigorating the business (“WC 2.0”), whereas Figure 48 illuminates a resurgent control impetus that emerged in early 2017 (“WC 2.1”). The former involved spending more and controlling less whilst the latter featured an unprecedented hybrid of “*you’re on your own*” vicarious control combined with cost cuts. The next section seeks to explain *why* the levers of power were manipulated in this way and for whose benefit.

²¹⁵ Hopkinson (2003) argued that the frontline in FLSW is constantly shifting, as FLSWs formed shifting allegiances with customers and management. Patterns of FLSW-customer collusion and/or “resistance” were widespread within WC.

Figure 45: Wine Corp “classic model”

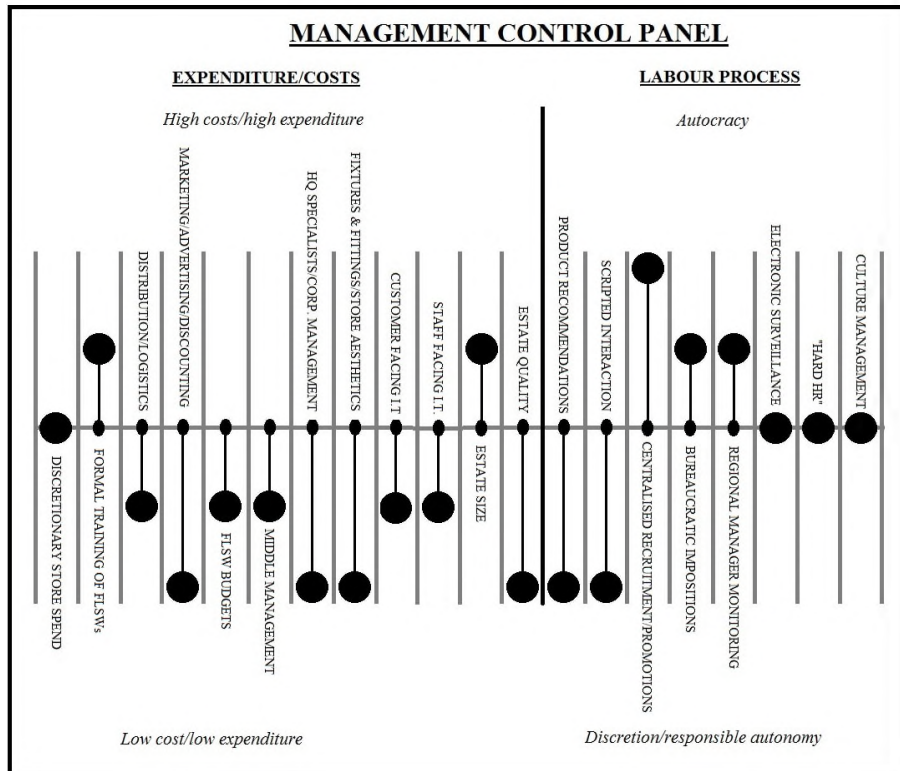


Figure 46: Gear shifts under Dan Mitchell

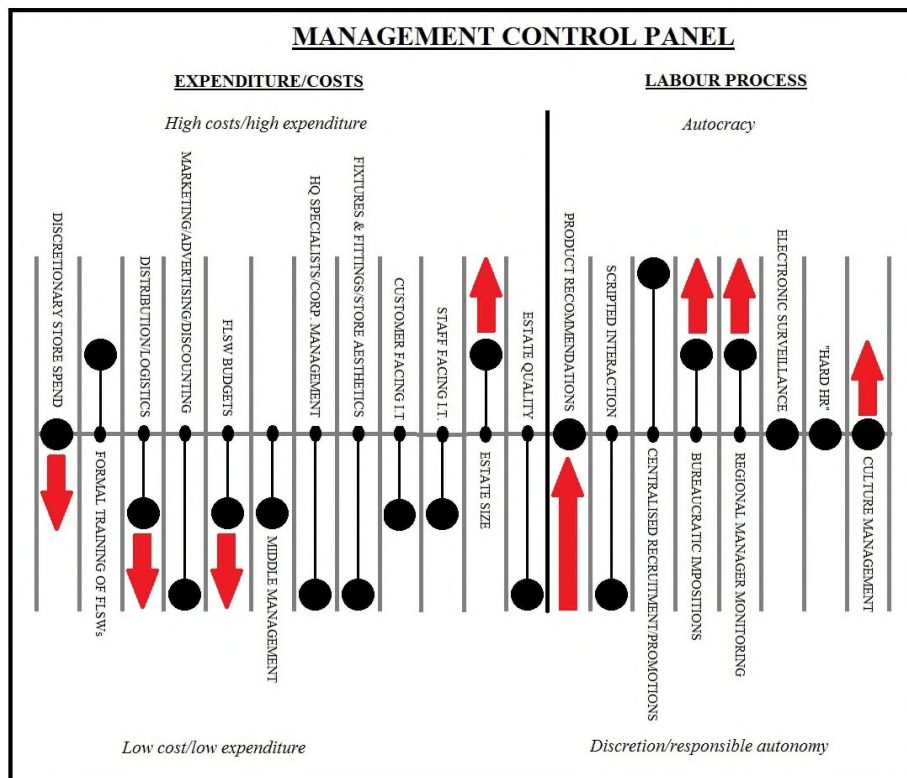


Figure 47: LF's manipulation of the levers post-Dan Mitchell

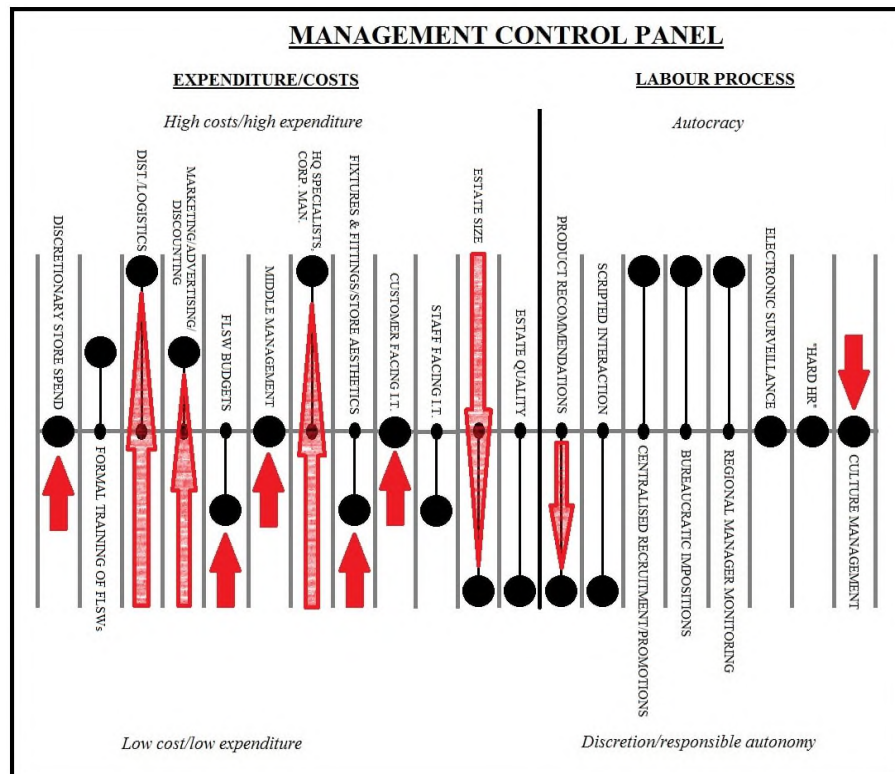
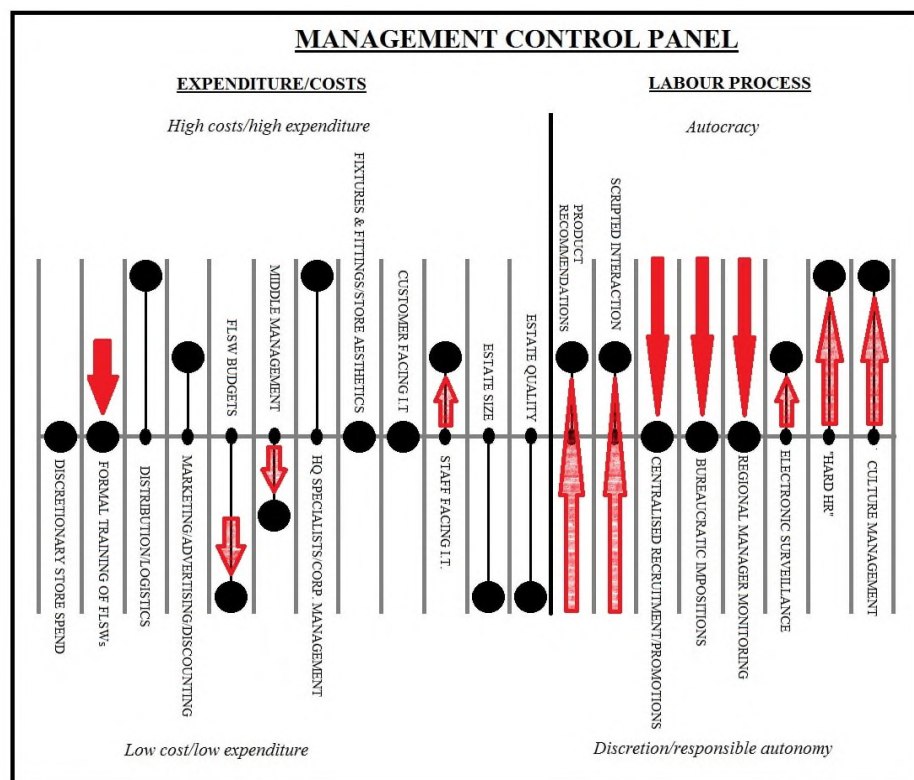


Figure 48: Aftermath of the Lyle Fisher honeymoon



Section Two: External powers and the ideology of shareholder value

The danger posed by the analysis so far is that it may appear to substitute dupe customers and workers for dupe management instead. I would argue however that historical analysis of management's predicament – combined with a proper understanding of the external environment and power relationships they were subjected to – goes some way towards making sense of their deployment of agency.

A paradox at the heart of management's predicament was that it was by far the most powerful actor in the WC socio-economic arena and yet *relatively* powerless (note: LF makes the same argument below). As much as LF's regime had unilateral capacity to manipulate the levers of power, the agential manipulation of those levers by past management had profound legacy effects that constrained and enabled present actors (as illustrated above). Whilst this did not necessarily impose concrete constraints it did make for an imperfect world in which certain opportunities were more or less viable to pursue.

A second structural impediment to management's action was that it was not sovereign and autonomous in the strictest sense. They were subject to external threats over which they had little control and competitors were chief amongst them. WC remained a minnow in competitive waters that were dominated by whales (e.g. Tesco, Sainsbury's). To continue with maritime metaphors, it is also fair to say that WC's management were at the helm of an ironclad rather than a state-of-the-art destroyer. Moreover, with circa-4.5% of the UK market²¹⁶ and limited foothold abroad it was heavily reliant upon the health of local waters. In addition, those waters happened to be favoured by the meanest buccaneer on the sea (Amazon), for whom the UK is its third largest market. Whales like Amazon are not dependent upon particular product categories or territorial waters, so it can afford to loss-lead across categories and markets if it makes sense in the wider theatre of war. In relation, WC is especially vulnerable because its specialist category is a loss-leading favourite amongst generalist heavyweights.

²¹⁶ As of 2018.

Whilst there is an “external” bigger picture then over which WC’s management had limited power and influence, it is also true to say that some of the powerful “outsiders” were also “insiders” in key sense. I am referring to the royal box holders here – those being, major shareholders and blue-chip press/media. The former are the legal owners of the means of production and management occupies the technical box only at its consent (discussed further below). The latter are primary *influencers* of public opinion, providing a window into WC for customers and non-customers alike as well as investors who occupy the other royal box. Management therefore has a vested interest in courting these influencers and in a deploying PR machine to mould the message. These powers can make or break companies in extreme cases,²¹⁷ but in a more mundane sense they can help or hinder by shaping the narrative arc in relation to a particular entity. An instructive example is Tesco, the UK’s largest retailer. For many years under Terry Leahy’s leadership Tesco could seemingly “do no wrong” and then for years in the aftermath of his departure it could “do no right.” This narrative arc glossed over how the seeds of Tesco’s struggles were planted during Terry Leahy’s tenure.²¹⁸

What may be said of Tesco may be said of WC – in fact, whilst they operated at difficult scales with varying degrees of specialism there were notable similarities in terms of the “up-waves” and “down-waves” they have ridden. In Chapter Six it was argued that both retailers were “stuck in the middle,” flanked by cheaper operators at one end of the spectrum and “cooler” niche operators at the other. Another similarity between the two organisations is that they were both darlings of the nineties and noughties, with solid/consistent growth based upon organic footprint expansion in the UK.

The similarities do not end there because Tesco and WC had at least two other important things in common. The first was that their “golden years” were dominated by figureheads whose legitimacy stemmed from a romanticised “*drawn from the rank and file*” narrative. In the case of DM he was selected as *heir apparent* at an early stage of his career and was fast-tracked accordingly. Terry Leahy’s ascendancy appears to have

²¹⁷ Wonga is perhaps an apt example of a business that was existentially threatened by long-term “bad press” which led to pressure for legislative change in the UK.

²¹⁸ See: <https://www.theguardian.com/business/nils-pratley-on-finance/2015/jan/20/sir-terry-leahy-tesco-supermarket-superhero-not-exactly>

followed a similar trajectory, whilst both were elevated from humble backgrounds. The latter made this a part of his armour by presenting himself as an “everyman” with the “common touch.”²¹⁹ DM was more self-congratulatory in his presentation of self but did mobilise a “butcher’s son” *pauper-to-prince* story for PR purposes, generating some degree of ideological buy-in amongst WC’s FLSWs. For example, my first store manager told me that her ambition was to beat DM’s record of “getting onto the Board in less than 10 years.”

A second thing that WC and Tesco had in common was that their once all-powerful figureheads got their organisations into trouble by squeezing them to breaking point. This was not coincidental in my view; it was a by-product of two very similar leaders charting similar courses in light of the same structural/ideological forces and factors. In relation to the WC case, Chapter Six evidenced prominent links between “shareholder value maximisation” (SVM), management behaviour and resultant conditions of FLSW experiences. Specifically, it was argued in Chapter Six that DM effectively starved WC of resources to a point at which stores became dysfunctional. It may be a failure of my imagination, but I cannot find a “logical” explanation for management’s behaviour throughout this time beyond the alignment of its own interests with the short-term ones of powerful outside economic actors. An even more striking pattern played out throughout LF’s regime, during which time it became clear that “the markets” had profoundly influenced the direction of travel and the timing of “gear changes” (see Figures 45-48 above). When the market sent a signal that it would no longer indulge a “stakeholder” model of value-*creation* LF promptly switched to value-*extraction* in the form of neo-liberal managerialism (see Chapter Six Part B). I will return to these themes below.

The interplay described here exposes the structural and ideological interconnectedness of “managerialism,” “neo-liberalism” and “shareholder value” ideology respectively. Speaking of the former two, Hanlon (2018: 311) recently made the case that in essence they refer to the same thing:

²¹⁹ See: <https://www.theguardian.com/business/2011/feb/25/tesco-sir-terry-leahy-retires>

“Neo-liberalism and management are the same programme. Both share responses to the crisis of authority which emerged with the transition to corporate capitalism. Both argue intervention, expanded competition and elite leadership should reshape the subject and social relations through new forms of external regulation and internal discipline ... Both programmes addressed what they saw (and still see) as the same problem – collectivism and democracy.”

Integral to both is the SVM model,²²⁰ which is the dominant ideological frame of “financialised” corporate governance in contemporary Western economies (see Cushen & Thompson, 2016; Thompson, 2013; Lazonick, 2013; Lazonick & Mazzucato, 2013; Lapavistas, 2011; Dore, 2008; Lazonick & O’Sullivan, 2000). Given its current degree of systemic entrenchment it is almost difficult to imagine that the concept only dates back to the early 1980s (Chang, 2011). The story goes that as part of the neo-liberal reconstruction of how economies should work (and more specifically *who* they should serve), there was a belief that management had lost its way as a class of actors (Lazonick & O’Sullivan, 2000). Much of their activity was framed as empire-building and self-aggrandising which diminished “shareholder value” rather than adding to it. What was clearly needed according to the celebrants of SVM were powerful incentives to re-align managements’ interests with those of owners.

It was against this backdrop that the “SVM model” of corporate governance took hold, with a key principle being that management should be appraised and rewarded for actions and activities that boost the share price. This was argued to be logically intuitive in the context of declining profits and international competitiveness (as discussed by Jones, 2015; Vidal, 2013; Vidal, 2011), which no doubt contributed to the infectiousness of the idea. Less apparent to advocates was the moral hazard that SVM posed, in the sense that management were heavily incentivised to see rapid increases in share price as an end in itself. One consequence would be that the *means* of driving

²²⁰ Denning, S. (2017) described shareholder value as “making money for shareholders.” In essence, the shareholder value maximisation model is a set of principles for corporate governance that pursues optimisation of shareholder returns. The author cites *The Economist* as stating that “today ... shareholder value rules business.”

share price growth diminished in importance. Another consequence would be that value-extraction (e.g., labour intensification, cost reduction, wealth re-distribution to shareholders) increasingly took precedence over value-creation (see Fleming, 2017) because it involved less risk and could gratify “the markets” more immediately. Overall then, management were powerfully encouraged to focus on the short-term even if it meant jeopardising their organisation’s long-term health by diminishing far-sightedness and “future building.” “Beating the street” became the overwhelming preoccupation as Lazonick (2013: 904) notes:

“It is generally accepted, by both proponents and opponents of shareholder-value ideology, that corporate executives in the US have developed an obsession with meeting Wall Street’s expectations ... It is also generally the case that people respond to financial incentives in their resource allocation decisions.”²²¹

Once more, a critical issue is time horizons. Footloose capital is flighty by definition; it quickly and easily detaches from entities failing to deliver SVM and attaches itself to other more successful entities in this regard. It is therefore inherently short-term with profound implications for the management of public concerns. It imposes upon them a requirement to court “the market” (as discussed above) to retain their speculative interest, selling them a compelling story of why participants should buy or hold the company’s stock.

This backstory helps to explain the underlying dynamics of how and why major shareholders and mainstream press have become royal box holders with the WC amphitheatre. As much as management in large listed FLSW institution are responsible for what plays out on stage, they are nonetheless pre-occupied with powers and influencers far removed from it who act as both “insiders” and “outsiders.” All prominent political dramas feature vignettes of power holder’s inner circles debating the likely effects of policies, only to then vet them in terms of “how it will play out in the

²²¹ Lazonick is referring to the US here but it is widely accepted that the US and UK are frontrunners and flag bearers of neoliberalism and SVM – see Coates, 2000.

press” (e.g. *The West Wing*, *House of Cards*). An equally common trope is for executive agents to do things purely for purposes of spin (as depicted in shows like *VEEP* and *The Thick of It*), thereby laying emphasis upon impression management rather than actual management. Empirical evidence of this type of behaviour is not difficult to come by. For example, Ken Burns’ documentary of the Vietnam War²²² features extensive recordings of Presidents Johnson and Nixon engaged in practices that are substantively identical to those depicted in fictional representations.

At this point I can return to my disembarkation point for the present discussion: the second link between Tesco and WC. I would argue that in both cases impression management began to overtake reality and this was tied to the individuals who led them and the way they were incentivised. Both leaders presided over the respective organisations’ golden-ages of rapid organic growth via footprint expansion as mentioned. Not unlike conquering empires, their growing fortunes came from capturing new territories and expanding sales and market share on that basis. As was described in Chapter Six DM consciously modelled WC on Tesco, so similarities are not surprising.

However, the problem that any empire eventually encounters is that scale becomes more of a problem than a solution at a certain point – that being, when diminishing marginal returns makes footprint expansion unprofitable. As Tainter (1988) argues in *The Collapse of Complex Societies* empires tend to reach their limits when the cost of further expansion exceeds the probable rewards. Their eventual demise is then spawned by the ever-increasing bureaucratic costs of defending and controlling vast territories with a dwindling resource base.

Although this analogy does not fit the Tesco and WC cases perfectly²²³ it is nonetheless indicative. Both organisations experienced explosive share price growth during their expansionist heydays whilst both leaders accrued fortunes and valorisation as part of the

²²² *The Vietnam War*, 2017 [TV series]. Directed by Burns, K. Novick, L. USA: Public Broadcasting Service.

²²³ At the time of writing their decline is relative rather than absolute, although neither shows credible signs of profits reaching or exceeding record highs. Tesco’s revenue also remains well below heyday levels, partly due to “de-leveraging” the balance sheet through asset sales.

process. In Terry Leahy's case he was even made a knight of the realm in Britain. Yet both leaders sowed the seeds of their organisations' struggle by becoming obsessed with "making the numbers" and keeping the share price rising at (almost) any cost. Progressively though this meant that the long-term health of their empires was being eroded by a short-term focus on "beating the market." To this end they each managed their organisations in ways that sought to ensure that SVM was institutionally embedded via "do or die" targets. In the meantime they actively sold media influencers a rosy picture whilst quietly suppressing stakeholders (customers, suppliers, FLSWs) to compensate for diminishing marginal returns on footprint expansion.

9.2.1. The fine line between shareholder value, make-believe and criminality

Although legal proceedings are ongoing, it seems reasonable to infer that Tesco's £250m accountancy scandal was in no small part a consequence of the huge pressure being placed upon senior executives to "beat the numbers" as described above.²²⁴ In this instance it is alleged that executives crossed the line into criminality, which only makes sense in light of the extraordinary risks and rewards available to those both able and willing to "keep the ball rolling" in my view.

The most extreme example of SVM-induced moral hazard is explored with exceptional clarity by Alex Gibney in his documentary on Enron.²²⁵ He credibly explored how stock options were used as a lever to indoctrinate staff into an ethos of living or dying by the sword of shareholder value. In relation to such processes, management itself progressively lost touch with reality and became little more than manufacturers of illusion to sustain the Enron myth and share price growth. Reality only closed in on mythology when management ran out of ways to pay real costs with fictional revenue streams.

²²⁴ See: <https://www.theguardian.com/uk-news/2017/oct/05/tesco-whistleblower-commissioned-report-on-scale-of-profit-hole-court-hears>

²²⁵ *Enron: The smartest guys in the room*, 2005 [film]. Directed by Gibney, A. USA: Magnolia Pictures

The Enron case exemplifies and embodies the potentially toxic combination of shareholder value; huge management incentives (with short-term time horizons) and power structures that enabled leaders to unilaterally impose their ideology and fantasies upon the workforce. Enron's most successful "pump and dump" management actor escaped the organisation with roughly \$250 million dollars, several months before its final demise.

The primary control mechanisms used by Enron's management throughout its illusory heyday was a particularly amped-up version of the carrot and the stick. On the one hand huge stock incentives were offered to leaders and employees who beat their quarterly numbers by *whatever* means, whilst on the other hand the bottom 10% of performers were culled annually irrelevant of whether they performed competently or not. Management argued that this euphemistically named "performance review committee"²²⁶ was *the* lynchpin of Enron's "success," in that it instilled a competitive spirit from bottom to top. What it more obviously did was instil fear amongst potential dissenters whilst embedding a mechanism to remove perceived "bad apples" who questioned the programme.

It is telling that the most famous exponent of the auto-cull policy is Jack Welch, the famed CEO of General Electric who ironically was also credited as the founding father of the SVM model.²²⁷ During his time at General Electric Welch championed the SVM model whilst enacting the 15% auto-cull policy as a sub-component of it,²²⁸ regarding the later as indispensable instrument to that end. What makes these practices noteworthy in relation to the case study under discussion is that LF formally introduced an auto-cull to WC at the beginning of FY2018/19. As of yet its existence has not been explicitly announced to FLSWs. I only know if it because I took the time to read the investor publications and spotted LF's declaration to "continuously improve the average by losing the bottom 10% of products, suppliers *and people*."²²⁹

²²⁶ Unofficially it was known as "rank and yank."

²²⁷ See: <https://www.ft.com/content/293fc3c4-1196-11de-87b1-0000779fd2ac>

²²⁸ See: <https://www.forbes.com/sites/stevedenning/2012/04/26/jack-welch-ge-the-corporate-practice-of-public-hangings/#f4bf3375ccbd>

²²⁹ Emphasis added.

Such an extreme policy (by UK standards) could not be further removed from the benevolent leadership espoused by LF at the beginning of his tenure. Four years on that “honeymoon period” of 2015 seems like a short Indian summer in amongst the dreariness of a long winter. LF’s immediate aim was to raise morale amongst FLSWs whilst setting into reverse the resource starvation of DM’s regime, as described in Chapter Six Part B. Upon arrival LF made clear his contempt for the extremity of prior mismanagement in a series of unveiled critiques. Rather than continue down the road of short-termism he committed himself to fixing the estate, setting FLSWs “free” and clawing back the stranglehold of over-management.

During his first two years LF was good to his word (see Figure 47 vs 46 above) in spirit if not in substance but things changed decisively after Christmas 2017. The question then became why, and the only credible explanatory link was to the chorus of market/media signals suggesting that they had ran out of patience with LF’s experiment with “stakeholder win-win” as stated above. In the eyes of the “commentariat” and market (the occupants of the royal boxes) two years had been enough time for the new logic model to bear fruit in terms of key financial indicators.²³⁰ For the sake of self-preservation and to sustain the support of royalty LF had little choice but to intensify his programme in pursuit of “good numbers.” Subsequently, frontline costs were subjected to an assault that even surpassed the frugality of DM’s late era. To add insult to injury LF explicitly blamed FLSWs for the failure of his programme which again overstepped DM’s lowest ebb. This “passing of the buck” is explicit in the following remarks²³¹:

“What I’d ask you to do is look in the mirror and ask yourself ‘why you come into work every day.’ If the answer is ‘for the easy life’ you’re probably in the wrong job. If the answer is ‘you want to grow’ ... you’re probably in the right place ... for you to grow the company needs to grow...”

²³⁰ “EBITDA” (WC’s main performance measure in financial reports); return on earning (ROE - which also features prominently in WC statements) “beta” (a measure of price volatility); and the price-earnings (P/W) ratio are the top four valuation indicators used by institutional investors – see Cushen & Thompson, 2016: 357)

²³¹ Remarks of LF in an in-house video, released to coincide with the announcement of FY2018 results.

Being a CEO is a really weird job, because everybody thinks you're the boss and you have the power and everything else and the reality is you don't... I can't make any of these things happen, that's over to you. So whatever you do, think hard about why you come to work, and if it is because you want to grow as a person you're in the right company."

In the previous financial year management had decimated its own ranks, finalising the long-running task of removing managers inherited from the DM era whilst “trimming the fat” from the John Stapleton-led first phase of the LF era. One can only assume that they were the “staff problem” then, but by 2018 management’s cross-hairs were firmly fixed on the “staff problem” that was newly imagined amongst FLSWs. LF’s initial salvo was to impose “Meritocracy,” a software suite of targets and league tables designed to streamline performance management monitoring. Within this new framework the prize for “beating the numbers” would be that “work would set you free” because “nailing” stores would be left alone by management. It speaks volumes of the unpleasantness of modern managerialism that being spared from it is dangled as a motivational carrot.

Regardless, after several months of Meritocracy almost every store was “sailing” – meaning that they were beating all of management’s targets for “behaviours” yet were failing to meet gross profits targets. Hence by managements own definition FLSWs were performing *at or above their expectations*, and yet the regime still came to the conclusion that the explanation for the lack of profit growth must be FLSWs’ resistance and/or inadequacies. Upon that conclusion the regime institutionalised its 10% auto-cull, presumably as a means of scaring FLSWs into the realisation that *“for you to grow the company needs to grow.”*

Thus a new era of management make-believe dawned upon WC, embodying the truism that *“the more things change the more they stay the same.”* To be clear the fantasies of

the LF regime were different to those of the DM era. The latter seemed to believe (or hope) that cost-cutting and squeezing stakeholders (other than shareholders) could serve as a sustainable source of profit growth indefinitely. The former had chosen to believe that the acting capacities of FLSWs (when combined with a data analysis tools) could achieve some of kind profit alchemy against the backdrop of diminution of the frontline.²³²

Whilst these fantasies were nuanced they drew their lifeblood from the same well – that being, a structural tension between serving a higher power whilst relying upon a subservient semi-autonomous cast of actors to satisfy that power. These “masters” and “servants” have fundamentally different wants and needs which no amount of unitary rhetoric can mask (Thompson, 2003). They also have quite different time horizons in mind, which underpinned an interlinked tension between the short-term interests of owners and the long-term interests of the organisation and its employees.

The counter-productive behaviour of two WC’s regimes showed that when push came to shove, the interests of higher powers took precedence over those of lower powers in the age of shareholder capitalism. It is perhaps worth reiterating at this point the scale of the incentive devised by controlling agents to encourage LF to “go with the flow.” In Chapter Six Part B it was highlighted that LF was handed a £20m contingent stake based upon the 2015 share price. Any increase in “shareholder value” during the four-year vesting period (to 2019) would increase the value of that performance consideration still further, whereas failure to meet its SVM criteria would come at huge personal cost.²³³

Almost 40 years on from the birth of the SVM model it has become the *primary* driving force of FLSW experiences in WC alongside its spiritual twin neo-liberal

²³² As was described in Chapter Six Part B, LF reduced the total number of staff hours per store in 2017 and pared back the “graduate scheme” which dates back to the organisations 1980s inception (see Chapter Five).

²³³ LF’s performance consideration has recently been dwarfed by that offered to John Lyttle, the incoming CEO of online retailer Boohoo. A £50m bonus is offered on the basis of achieving a 180% increase in the share price over 5 years. His potential £58m total reward package equates to £37,780 per day gross income.

managerialism. Interestingly, the originator of the SVM model (Jack Welch – mentioned above) has since gone on to admit that it is “*probably the dumbest idea in the world*” (Chang, 2011: 22).²³⁴ What makes it “dumb” is the irony that it was meant to focus CEOs minds on the competitiveness of their organisations, whereas we know with hindsight that it has led to short-termism and destructive behaviour in pursuit of self-enrichment and public plaudits.

What about customers?

In a range of complex ways the “functional stupidity” (Alverson & Spicer, 2012) that manifested itself upon WC frontlines throughout my time thereupon are the empirical reverberations of power relations that play out nowhere near it. Both customers and FLSWs matter in the power game but only as *aggregates*, in that both are critical as *collective formations* to the buying and selling processes that created surplus value. Yet as individuals they are substantively powerless in the face of far more powerful forces and factors that enabled and constrained stage performances, whilst obscured from the view of those upon it. The inability of FLSWs and customers to act collectively and mobilise resources makes them weak in the face of organised capital (i.e. management), which speaks and acts as one. The relative power/influence of *individual* FLSW actors over agents of capital compared to that of royal box holders is miniscule.

It is no surprise then that management entangled itself in the detrimental short-term focus of elite shareholders even as it extolled the virtues of “partnership” and espoused rhetoric of “*customer [as] king.*” In reality the individual customer was more akin to a factor of production, whose behaviour needed to be manipulated and controlled to the extent that is possible. In key senses then they were closer to FLSWs than royal box holders in the socio-economic pecking order. Whilst it may be true that the “customer is king” (and relatedly that Western societies have become “consumer societies”) at a certain level of abstraction (see Chapter Two for discussion), it failed to resonate at the empirical level of FLSW actor experiences.

²³⁴ See also: <https://www.forbes.com/sites/stevedenning/2017/07/17/making-sense-of-shareholder-value-the-worlds-dumbest-idea/#2ba1fc72a7e>

Customers “got what they were given” by organisations in the day-to-day sense and if they did not like it their only real choice was to go elsewhere *where they would also get what they are given*. Although competition is no mere fiction there were no opt-out options in terms of escaping the forces and factors of which I speak. Put simply, the “grass was not [necessarily] greener on the other side” because management there would almost certainly be playing to the same ideologically and systemically-embedded rule set. As much as those rules are not entirely fixed (present agents can and do modify them), they may nonetheless appear “set in stone” for given a generation of actors constrained and enabled by them. In sum, customers can choose their favourite players but are powerless in determining the rules of the game.

Section Three: Synthesising similarities and differences

9.3.1. Du Gay – sovereign consumers and enterprise culture

My lengthy discussion of Du Gay’s thesis (Chapter Two) was based upon a conviction that he made credible and important observations about the *effects* of “enterprise culture,” even if his conceptualisation of it was bound by inherent limitations in my view. Du Gay argued that chaos and confusion emanates from endless management reorganisations and forays into “culture management,” which certainly corresponded with my experience in “WC 2.0.” LF’s regime had a penchant for “pop-management” concepts that gained traction in the 1980s and 1990s including “5* service,” “experiential retail” and the “service-profit chain.” This treadmill of “new” management concepts became powerful forces within WC in their own right, as management bought into them began to experiment with implementation. A considerable degree of oscillation stemmed from these experiments as management tried an idea, abandoning it (often without announcement) and then moved onto its next big idea. To critics they were “*throwing everything at the wall and seeing what sticks*,”²³⁵ whereas management argued it represented a “test and learn culture.”

²³⁵ Quote from Chapter Six Part B.

Du Gay also made valid observations on an ideological assault on “bureaucracy” which resonated with my data. “WC 2.0” management generally saw fixed things²³⁶ as enemies of rapid change and responsiveness to emerging initiatives. They also framed operationally-oriented FLSWs as the antithesis of their ideal-type FLSW buccaneer (see Chapter Eight), whereas DM’s regime laid siege to the same type based upon a belief that they were not “sellers.” This had the important consequence of making operational efficiency and behaviours that supported it taboo, which undermined the functionality of stores and consequently the experience of working within them.

However, du Gay’s dual notions that customers are the sovereign drivers of change and that “enterprise discourse” is its midwife does not appear to be a credible explanation for the patterns and outcomes described above. My main reservation is that it leaves too much unexplained; for example, if the customer is king then why do they feel and seem so powerless? Why also does credible evidence show that customers are more dissatisfied than in previous eras (see Batt, 2007), even as management (and academics) tell them that they are “calling the shots”? Why also are FLSWs bowing to the demands of management when push comes to shove, and why are management bowing to the will of shareholders rather than “sovereign consumers” upon close inspection?

With these contradictions in mind I would argue that if we substitute *customers* for *shareholders* and *discourse* for *ideology/rhetoric* then it is possible to better explain the data. The true sovereign over the WC saga is the shareholder – specifically, a small group of block-shareholders led by founder Deacon Hill who alone owns almost 1/5th of the stock. Their real power only surfaced and revealed itself once in the last decade, at a time of “crisis.” That power makes them the sole arbiters of “crisis” and the sole “insider” actor able to *force* change upon management.²³⁷

At the moment of “crisis intervention” (the over-throw of DM) it seems reasonable to believe that these real sovereigns did not especially care about the thoughts and feelings

²³⁶ For example, the chain of command and established administrative processes.

²³⁷ As was shown above the UK government also has the power to force change upon WC’s management. Within the amphitheatre model the UK government is an “external” force which makes up a part of the “walls” in which WC is embedded.

of FLSW stage actors. After all, for years shareholder value had grown whilst other optics (e.g. customer/FLSW turnover) provided forewarning of deteriorating conditions. Throughout this time many of the more astute customers and FLSWs had made clear their escalating sense of something rotten in state of WC, yet none amongst the “powers that be” intervened. It was only when growth in shareholder value seized up that real power intervened and imposed regime change, with the meek announcement that “*we think we can do better.*” Who *we* is and what *better* means was never stated.

Up to that point WC’s FLSWs (including myself) regarded DM as *the* power – a king subject to few if any internal limits. The reality was that DM governed only by consent and real power had the capacity to withdraw that consent unilaterally. Since that moment of regime change the journey of WC’s FLSW actors has been incidental of that intervention to a significant extent. If its object was to positively affect customers or FLSWs experience then one might have expected LF’s performance consideration to comprise relevant benchmarks. Instead, it was fine-tuned to ensure SVM which speaks volumes on the question of “better for who?”

Moving on to my reservations concerning discourse theory, I would argue that the constant gap between what management says and does – and the fact that it spins different stories to different audiences – poses a problem for discourse purists. Their guiding assumptions discount the possibility of management “make believe” because discourse and reality are seen as indistinguishable *in essence*. You cannot therefore specify real “things” that exist outside discourse and have power/properties independent of it (e.g. stages, control panels, royal boxes, amphitheatres and other *structures* aforementioned). There is only social construction, discourses and the ideas they embody.

What this leaves unresolved in the WC case is the disconnection between the *reality* of shareholders being put first and the “discourse” of “*customer first, customer second.*”²³⁸ As said, discourse theory struggles to account for such discrepancies because it

²³⁸ This was actually the tagline of “WC 1.0” management’s brief flirtation with “culture management” before they were removed from office.

conflates rhetoric and reality. Once the two are disaggregated though – with rhetoric reconceptualised as a component of “reality” rather than constitutive of it – then the hegemonic basis of the disconnection reveals itself. It also makes possible a set of alternative assumptions concerning the consciousness of stage actors. In my view FLSW actors are (a) tacitly aware that power is structurally embedded in *things* (e.g., capitalism; legal structures of ownership; money; material wealth); (b) consciously aware that management’s role *in the first instance* is to grow sales and/or profits in capitalist enterprises; and (c) knowledgeable on some level of the need for actors to act out different roles for different audiences. With these competing truth claims in mind it becomes easy to see how and why spin and “PR” have become inherent components of empirical reality.

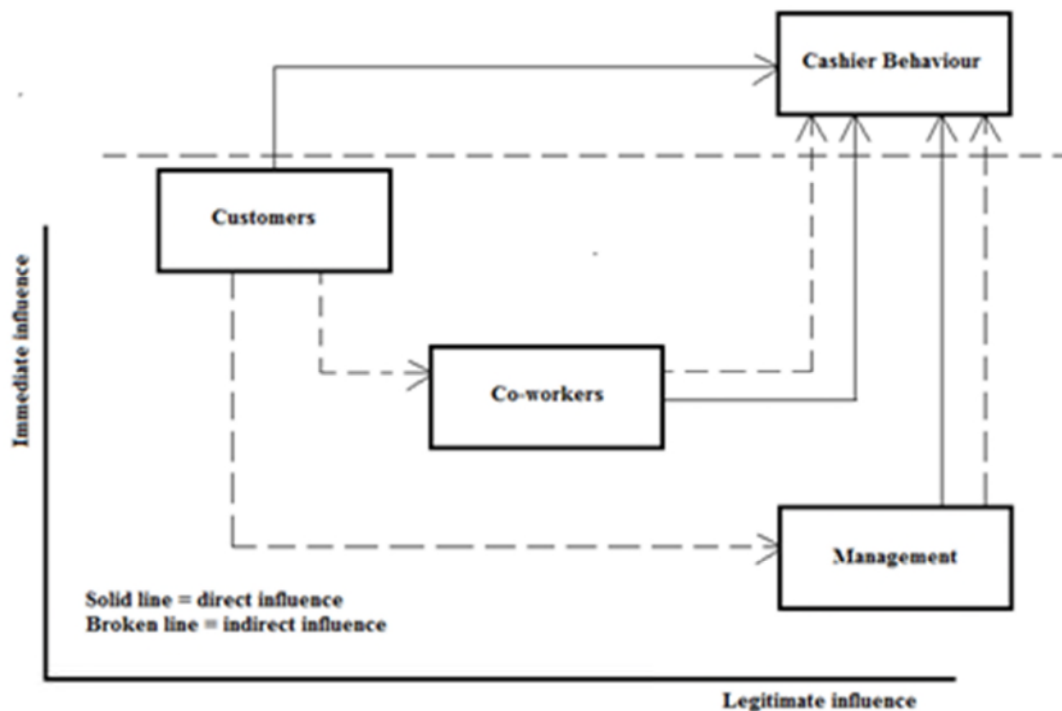
9.3.2. Two competing view of the forces and factors that shape FLSW experiences

Rafaeli (1989) is one of few theorists to have assessed power and control dynamics amongst service triangle constituents specifically (see Chapter Three), making cross-examination of her work useful. Overall my results resonate with Rafaeli’s synthesis – for example, she identifies that a key challenge for management in multiple retailers is that it operates at a distance making it “remote.” By comparison customers are an “immediate” threat, an unpredictable mass that physically imposes itself and its agenda on the FLSW stage. Their presence and status (as customer) is the source of their self-perceived power, which is actively contested by FLSWs due to its perceived illegitimacy. A struggle results over who has the right to control service encounters according to the author.

Whilst accepting these propositions I wish to highlight two points of departure between Rafaeli’s model (see Figure 49) and my own. Firstly, Rafaeli depicted co-workers as having less “immediate influence” on FLSWs than customers and this does not tally with my data. In WC store teams form into an “in group” whilst customers were perceived as part of the “out group.” Something akin to a trench warfare mind-set was common amongst members of the former, accompanied as it was by a hierarchy of

contempt featuring management and customers as abstract entities. The lion's share was reserved for particular "bad" managers and customers, although the *generalised other* (Mead, 1934) was often framed as a villain simply because their interests diverged from FLSWs in key respects. Given such tendencies I believe that the influence of FLSW colleagues held greater sway in both *immediate* and *legitimate* senses. One possible explanation for the divergence between findings is that WC's lean functional flexibility in WC entrenched in-group normative control to a greater extent than in Rafaeli's supermarkets.²³⁹

Figure 49: Rafaeli revisited



The other key distinction between my amphitheatre model and Rafaeli's is that the latter was based on a closed loop, which brackets off outside influences such as shareholders and the external environment generally. As I have attempted to make clear above, none of the actors who act within the WC amphitheatre enact themselves in a vacuum removed from the wide socio-economic milieu. They are each connected to and

²³⁹ The power of "horizontal surveillance" (Sewell, 1998) in autonomous/TQM teamwork settings has been identified elsewhere (ibid., Sewell & Wilkinson, 1992).

influenced by the “outside world” and their perceptions of it (as depicted by the influences lines in Figure 44), which both constrain and enable their activities within the WC amphitheatre.

9.3.3. Power and influence in the “service triangle”

Inherent to the “service triangle” heuristic is a notion that it is not just FLSWs who experience FLSW but customers as well. Some have argued that “co-production” takes place with a view to the intertwinement of consumption and production. By logical extension customers are specified as a powerful “third wheel” in the battle for control in FLSW socio-economic arenas (see Leidner, 1993; Rafaeli, 1989).

Whilst agreeing that the incorporation of the customer into analysis of FLSW was a necessary and important step forward, I would caution against the (seemingly) logical next step of presenting/conceptualising relations as a triangle. I believe that there are two significant empirical bases to reject the approach. Firstly, if we are to extend analysis beyond the FLSW-management dyad then why stop at inclusion of the customer? In the preceding sections I have made a case for the inclusion of at least two other powerful actors in order to better understand the nature and experience of FLSW. Whilst this stance is valid in its own terms, it is also indicative of a need to connect the “inside” (relations between triangle constituents) with the “outside” (wider political economy and external powers). This leads me to my next point. Power is highly lopsided both within FLSW organisations and the capitalist political economies that house them. The service triangle implies a parity and evenness in the distribution of power and resources that empirical study fails to articulate (see Chapter Three). Perhaps then a better starting point is to frame FLSW as exhibiting and/or embodying a *lack* of parity and evenness as LPT argues (see Chapter Two).

To flesh-out these positions WC is a useful case in point. FLSWs are the *weakest* parties in the “service triangle” which boils down to their inability to act *as one* and apply their latent power collectively (as discussed above). As for customers they exhibit little

cohesion (e.g. do they want *more* or *less* service; are they willing to *pay more* for it), making it improbable that they could *consistently* bring their collective power to bear. Furthermore, even if they were to somehow agree upon a common ground then what would be the means by which they collectively coordinate and mobilise – bearing in mind that we are talking about over 1m people dispersed through the UK? The knee jerk response might be social media but recent events seem to have suggested that power has the capacity to tame this threat and turn it against the less powerful.²⁴⁰ Lest we forget we are also talking about a wine re-seller here, a provider of a commodity that is widely available. The path of least resistance for customers is to tolerate imperfections or go elsewhere to tolerate those imperfections instead. To paraphrase a former government colleague *“nobody is going to die in a ditch over it.”*

There is a certain aptness in invoking war imagery at this point because management’s rhetoric has always been filled with battlefield metaphors and hyperbole despite the mundane basis of WC’s existence. To them FLSWs are not service providers or wine re-sellers, they are the “thin [bleed blue] line” in a *kill-or-be-killed/winner-take-all* struggle for survival. As an indication, LF recently remarked to the troops:

“One or two things are going to happen this year. Either we reach escape velocity, and get so good at looking after our sectors of the market that our competitors give up and decide to go somewhere else, or we leave the opportunity open to other people...”

It is after these remarks that LF explained the two options available to FLSWs (as discussed above) – those being, to “grow as people” or accept “you’re probably in the wrong job.” What made these comments interesting to me was the naked power they conveyed as well as management’s willingness to make use of “market control” as Darr

²⁴⁰ I am referring here to the weaponisation of Facebook and other social media platforms, which traditional powerholders sought to mobilise in pursuit of their preferred outcomes in the 2016 US election and “Brexit” referendum. See: Cohen, N. “Why isn’t there greater outrage about Russia’s involvement in Brexit,” *The Guardian* 17/06/2018; also: Yourish, K. Griggs, T. “8 U.S. intelligence groups blame Russia for meddling, but Trump keeps clouding the picture,” *The New York Times* 02/09/2018.

(2003) described it. What LF was saying is essentially true; FLSWs *do* only have two choices which is to get with the programme or leave, voluntarily or otherwise. The latter are under no illusions that these are the options and they each have to grapple with that in their own way.

An important residual question then is why do FLSWs not resist management and its ultimatums? The first explanatory factor is that the workforce is divided and conquered with no credible means of collective resistance. Successive UK governments have made it incredibly difficult for workers to organise and act collectively, especially in a multi-site corporate entity like WC. Management cannot dispose of its entire workforce at once but it can dispense with “upstarts” long before they incite collectivising momentum. The idea of collective resistance is little short of fantasy once the structural/legal barriers and individual risks are understood, and FLSWs see it as such.

The second main factor is that FLSWs know that there is a real world “out there” that limits choices, as do other constituents of the service triangle. One of the reasons that FLSWs do not leave is because they are reflectively aware that other prospective employers are in all probability governed by the same neo-liberal mind-set, meaning that “escape” (from the company) does not mean *escaping*. As said there is no opt out from “*turbo capitalism*” as Chomsky (1999) calls it (others have used less upbeat terms like “*wreckage capitalism*” and “*disaster capitalism*” to describe present epoch).²⁴¹ This includes the public sector and the 3rd sector, which have long since become bastions of the neo-liberal managerialism in their own right (see Parker, 2002).

A third factor is supply and demand for graduate labour. New Labour’s policy of mass higher education locked the current generation of graduates into a supply/demand imbalance that is highly stacked in employers’ favour. Supply outstrips demand (Keep *et al.*, 2006) creating a “buyer’s market,” with numerous cascade effects. A key example is that degrees have become commodities in the UK so graduates increasingly find themselves occupying non-graduate roles due to “grade inflation.” Those who lack specialist degrees (e.g., medicine, law, engineering) and/or fail to access the top-tier of

²⁴¹ Fleming, P. (2017) & Klein, N. (2007) – See references.

graduate schemes are left to “choose” from an unappetising menu of “options.” This includes graduate schemes *in name only*.

It is clear that the agency of one generation (1990s politicians) structurally embedded the employment options of the next by laying the foundations of future labour supply/demand imbalances. Whatever the intentions of the former, they helped to shape graduate labour market condition that were ripe for corporate exploitation in pursuit of surplus. In WC management needs only to offer the pay and conditions necessary to sustain reproduction of its business model, which perhaps explains why they have always been comfortable with circa-25% turnover. So long as UK universities continue to churn out an over-supply of “cannon fodder” each year then WC’s graduate “sacrificial HR strategy” (see Wallace et al., 2000, Chapter Three) represents a sustainable and logical exploitation of that opportunity.

Section Four: Disentangling the forces and factors that shape the experience of FLSW

Real and *actual* power were barely present on the WC FLSW stage, yet it is within these stratified and concealed domains that *empirical* experiences of it took their shape. To make this statement is not to retreat into structural determinism; it is only to say that the stage was set long before individual actors assumed their role and enacted their performances upon it. *Individuals* do nonetheless bring their personality and character into the workplace with them, so these constituted important factors in shaping both the *manner* of performance and the experience of it.

Hence the experience of FLSW was on one level determined by performers themselves, who used discretionary space to make roles their own and to realise them in accordance with a range of idiosyncrasies. On another level FLSW was also a collaborative effort, made up of follow FLSWs actors each engaged in the same process whilst occupying the same spaces. It is on this basis that patterns of conflict and accommodation emerged that greatly enhanced and/or undermined the experience of work for individual actors.

The actor who bridged the divide between the “empirical” realm under study (FLSW) and “real power” was management, who occupied the technical box of *actual power*. Due to its position between the poles of empirical stage reality and real power it was not all-powerful, but it did have sufficient ideological and material resources to dominate the stage – even though it was not an occupant of it in a straightforward sense. Setting aside token gestures and unitarist rhetoric, management’s power meant that the residual “choice” for stage actors was to accept actual power or “leave the building.” In current UK political economy the only serious threat to real and actual power is *other holders of real and actual power*. For WC’s management the most poignant such threats are (a) its royal box holders and (b) big beast competitors, who may threaten to bring down their walls entirety.

The seemingly chaotic and self-immolating behaviour of the technical box occupants are manifestations of its reactions to perceived threats and opportunities in alternate realms, often well removed from the WC FLSW stage. Management is at one and the same time trying to destroy competition whilst precluding its own demise in material and status terms. On the one hand it is telling real power actors that victory is assured whilst on the other hand it is telling FLSWs that their doom is assured if they do not fight harder and better. If the *kill-or-be-killed* mind-set of CEOs is in doubt then it is worth considering Dick Fuld’s comments on what he would like to do to competitors:

‘What I really want to do is reach in, rip out their heart, and eat it before they die.’²⁴²

This was not “locker room talk” intended for a small audience of friends and colleagues behind closed doors, these remarks were made in a widely circulated corporate video like those of LF above. A year later Fuld’s brinkmanship led Lehman Brother’s into bankruptcy.

²⁴² *The love of money: the bank that bust the world*, 2009 [TV documentary]. Directed by Smith, G. UK: British Broadcasting Corporation.

LF has never made such vivid pronouncements but he is a creature of the same *kill-or-be-killed/winner-take-all* neo-liberal mentality that sees precious little difference between market warfare and actual warfare. As stated above, I believed that LF was sincere in his initial attempt at something akin to benevolent dictatorship in WC. He stretched the “stakeholder” principle further than I expected, enacting quality-of-life policies that seemed alien in the aftermath of the DM regime. Unfortunately mismanagement and ill-conceived strategy *off-stage* undermined the potential for progress *on-stage*, so we will never know if the strategy could have worked with better execution or more time.

Synthesis

My argument and contribution is to say that the experience of FLSW is shaped by a stratified socio-economic construct as depicted in the amphitheatrical model, wherein different levels of ontological reality interlock like Russian dolls. The outer doll is the one that FLSWs experience – that being, the “empirical level” of reality. At this level it is quite true to say that FLSW actors’ shape their own experience of the WC stage alongside fellow cast members thereupon.

The middle doll is management who perform for two audiences: the outer doll (workers, customer) and the inner doll (higher powers). An understanding of its compromised role and the internal pressures that go with it are essential for an understanding of the “madness” in the technical box, as it appears to FLSW stage actors. Much of what management does is really about pandering to or dealing with the pressures applied by real powers (state actors, owners, capitalist rivals), some of which are obscured by management’s actual power.

This brings me to the inner doll where real power resides and lies hidden for the most part. The agents who make up this layer occupy structural positions deeply embedded in

the socio-economic and ideological fabric of “UK plc” as it is sometimes known.²⁴³ This is no banal conspiracy theory, merely a statement of the obvious that wealth and power in the UK is highly concentrated²⁴⁴ and WC is no exception to the rule. The latent capacity of WC’s base-level “inner-circle” was made clear when “Mr Wine Corp” himself was effortlessly deposed by powers that up until that moment few knew of. This is hardly surprising because two decades of stable growth meant that it never had to reveal itself to the public domain. Figure 50 sets out my understanding of the social stratification of *amphitheatrical relations* in WC as per the preceding argument.

Afterword: Figures 51-53

I have condensed a chronology of events (covered in Chapters Five and Six) into a series of flow diagrams, in an attempt to draw out the theme of past agency imposing present-day limits (i.e. anteriority). A defining “game changing” moment occurred in 1996 when the company was stock market listed (see Figure 51), although the implications did not fully surface until the early 2010s because footprint expansion enabled a comfortable pattern of steady growth. After that point diminishing marginal returns set in, and DM opted to squeeze internal stakeholders so as to meet market expectations and achieve bonus targets. Figure 52 illustrates the “tale of two halves” LF era. In the first half investment was increased but was poorly allocated. A consequent lack of pay-off then led to external pressures to rein in spending and start delivering “bottom line” results, even though the business had not substantively or proportionately improved. Due to those pressures LF had little choice but to pile pressure upon FLSWs in turn.

In contrast, Figure 53 condenses the story of continuity and change at store-level. The key point is that whilst there was considerable change throughout the period of study, the “props” and “stage” remained unchanged asides from a few cosmetic touches.

²⁴³ Pfeffer (2015) makes some interesting remarks along these lines in relation to Amazon and Jeff Bezos. The title of the article “Why the Assholes are Winning: Money Trumps All” usefully condenses his argument. *Journal of Management Studies* 53(4): 663-669.

²⁴⁴ https://www.huffingtonpost.com/ralph-gomory/the-real-crime-concentrat_b_905093.html?guccounter=1

Management's expectation of performance improvement was therefore akin to expecting a race car driver to out-compete the pack whilst refusing to replace the car or significantly invest in its improvement. It seems like common sense that competitors would catch up and overtake the standard setter of 8-10 years prior in such circumstances, especially when rivals have much deeper pockets.

Figure 50: The stratification of amphitheatrical relations

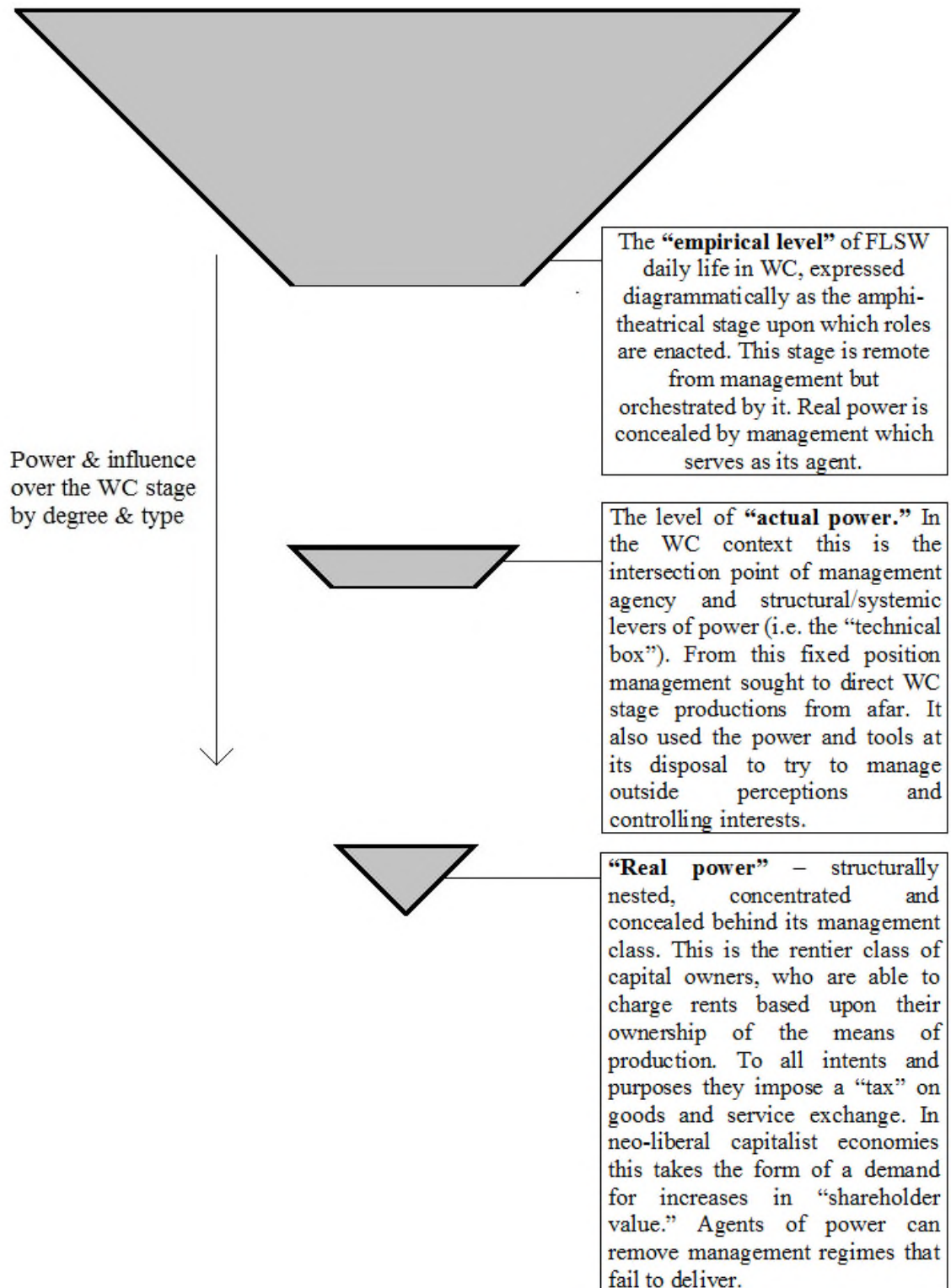


Figure 51: Interplay of agency and constraints during “classic Wine Corp” and Dan Mitchell eras

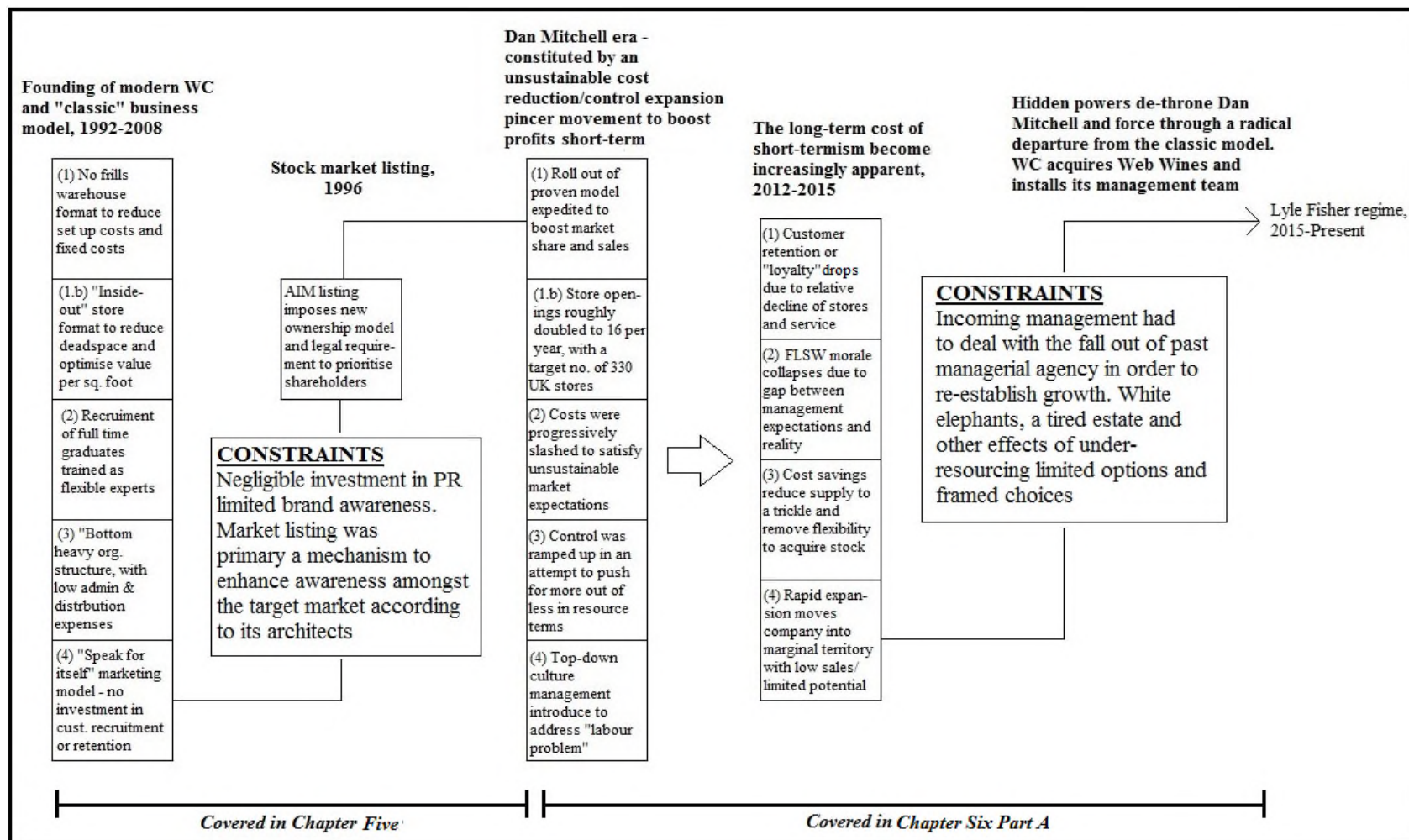


Figure 52: Interplay of agency and constraints during the Lyle Fisher era

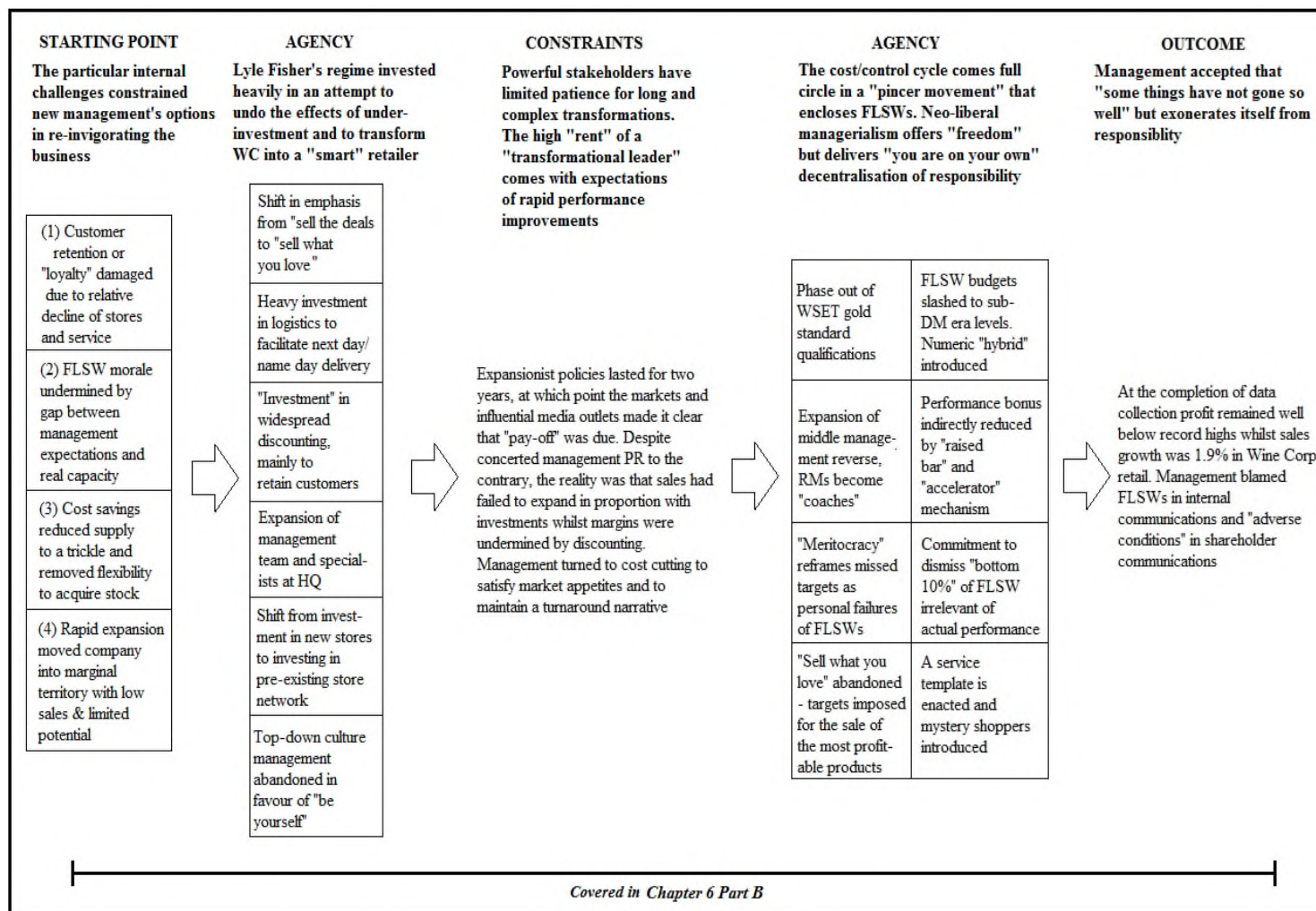
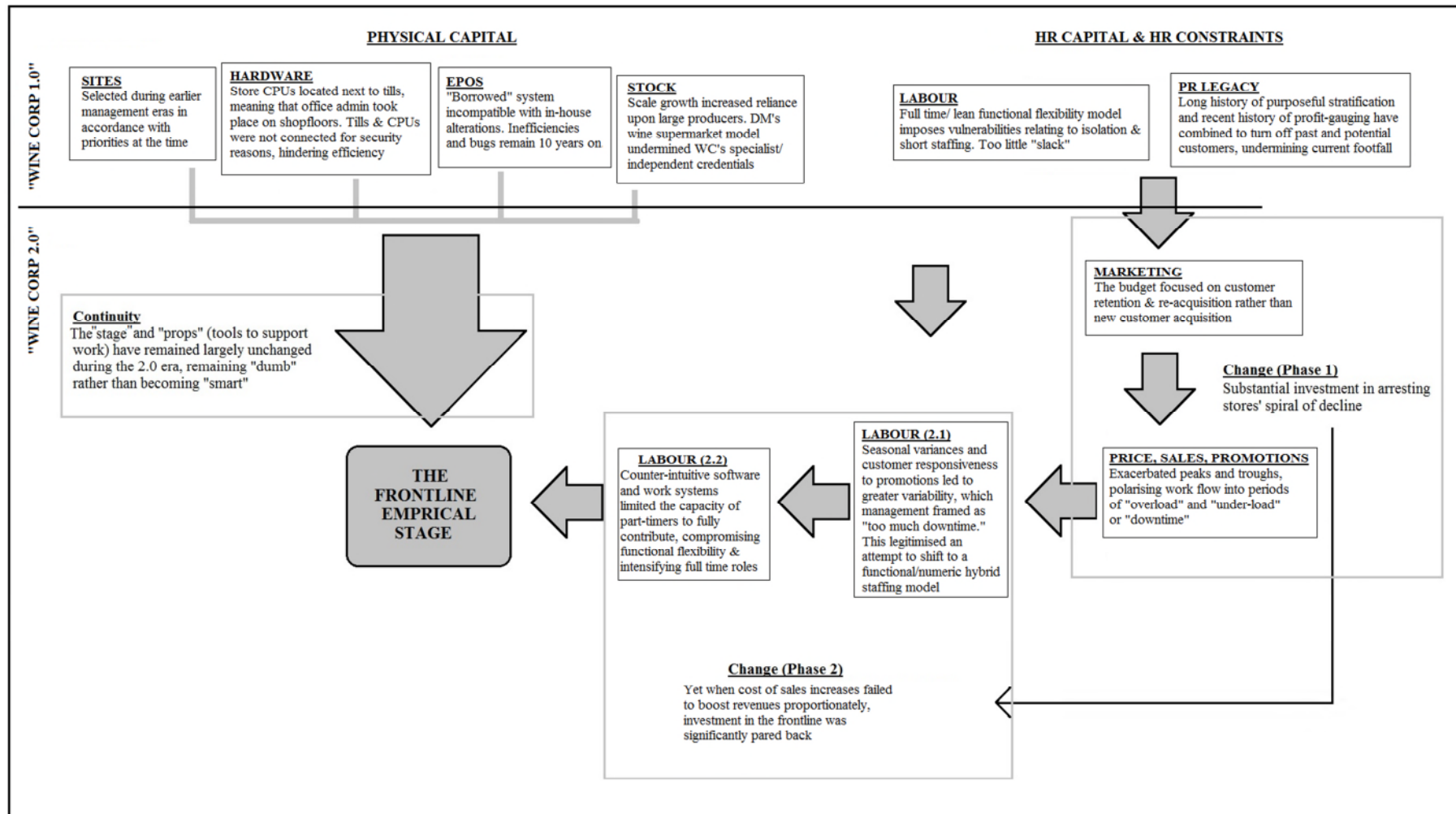


Figure 53: Store-level/empirical-level view of Wine Corp continuity and change



CHAPTER TEN: CONCLUSION

My research asked *what are the forces and factors that shape the experience of frontline service work in Wine Corp?* Ten years as a “complete participant” put me on the front row of that experience as an observer and investigator.²⁴⁵ It also put me “on stage” as a fully immersed member of the cast. The unusual duration of the study when combined with the analytical tools of CRP have facilitated an original answer to the research question; albeit, one that is built upon well-established foundations. Thus, my explanatory model of *amphitheatrical relations* is not so much born of “blue sky thinking” but rather an attempt to re-arrange the theoretical furniture so as to better accommodate pre-existing insights.

In relation, *amphitheatrical relations* sought to bring together the “big picture” of macro and meso-level forces and factors with the “small picture” of work experience upon a FLSW stage. The former – a loosely connected web of real/actual powers including media influencers, “rentier” capitalists, policy makers and institutions under their control – was represented as the structural walls in which WC is ensconced. These walls are “external,” by which I mean that they exist independently of WC’s internal dynamics but have powers and properties that constrain and enable agents inside. Their foundations are set in the structural bedrock of the Western political economy which WC is a product and reproducer of, as I have attempted illustrate through my analysis of the links between “external” and “internal” forces and factors as mediated by management. Their structural nesting makes them the most powerful agent acting upon “small picture” FLSW relations.

Hence the power of management was most clearly visible to those who were bounded by it – workers *and* customers. Each has been shown to be subject to the tyranny of management (albeit to varying extents and in different senses), who seek to manipulate both as *factors of production* so as to satisfy an agenda moulded by external forces. In an elemental sense the role of one is to *keep selling* and the other is to *keep buying*. I saw little sign of management holding much interest in stage actors beyond ensuring

²⁴⁵ As a reminder, the formal research period only covered three of these years.

that they each played their designated role in the extraction process. Statements to the contrary (e.g. “love the customer,” “customer first, customer second”) were rendered hollow by the reality of strategies and tactics that boiled down to attempts to either (a) ensure “commitment” or “loyalty” amongst buyers/sellers or (b) enhance the value of transactions.

For all of management’s scheming and structural advantage (i.e. governance of the “technical box”),²⁴⁶ the limits of its power to “stage manage” were nonetheless exposed by the research. A negotiated order prevailed within stores that was an amalgam of historical precedent (“*how we do it round here*”), team-level customs and a mutually accepted “grey area.” What made it so was a requirement for “space to manoeuvre” in light of the variability of customers and the unpredictability of their wants and needs in a high-service/full-service context. This required discretion which in turn unleashed the *individuality* of FLSWs actors on the WC stage. Their personality and the nature of their commitment constituted mediating factors in their deployment of that discretion.

When the many layers of inter-connected yet semi-autonomous reality are brought into view, to accept reality as a stratified and multi-tiered phenomenon seems an intuitive next step. Thus, my conceptual model as outlined in Chapter Nine sought to provide space for *human* agency on-stage whilst also illustrating the wider web of institutional and structural powers that limit and direct it. In my view the model has four main strengths. Firstly, as a framework it is easy to understand and could potentially be applied to the analysis of a range of experiential phenomena. Secondly, the separation of people and parts for *analytical purposes* is an in-built element of the model – so it may be mobilised as a tool in pursuit of “analytical dualism” which Archer (1996) has called for. Thirdly, it underlines the significance of space and is alterable in terms of the proximity of powerful actors. For example, in a large corporate HQ management may share the stage with frontline workers with significant effects upon social relations. Fourthly, the notion that “*all the world’s a stage*” could hardly seem more relevant than in the age of “smartphones” and “social media.” In the WC case, FLSW’s were

²⁴⁶ Section 8 of the Appendix provides an update on how management used its structural power and agency in the six months after the completion of this thesis. It provides compelling new evidence in support of claims made throughout.

encouraged to be active on G+; to build their “profile” on the store page²⁴⁷ and to be proactive on Instagram and Twitter. Much of this was unimaginable when WC was born and even more so when Goffman’s (1959) *Presentation of self in everyday life* was first published. Understanding modern life through his lens has never seemed timelier.

The concept of “mass customised” and the Overton Window

One of the reasons I joined WC and took an interest in the organisation was because it appeared to be a “poster child” for quality work and service provision. It also seemed to be a relatively rare example of a service organisation offering “good” and “interesting” work, that was neither desk-based nor over-specialised. That aside, what appealed to me in particular about WC was the promise of “running a small business” and “learning from the bottom up.” I was flirting with the idea of an entrepreneurial career path so a low-risk taster seemed wise. I also really like wine.

Looking back what strikes me about my decision making process is how naïve it seems in hindsight. Just as customers hoped for the “best of both worlds” in WC – i.e. supermarket prices with boutique quality and customised service – I was probably hoping for the same in an employer. I was not concerned with finding the best paid opportunity (which WC definitely did not offer) but was attracted to the idea of developing new skills, working with a “special” product and being “left alone” to run a business without bearing the risks of “going solo.”

Ten years down the road it is difficult to avoid the conclusion that Frenkel’s (2006) typological framework of the relative upsides and considerable downside of “mass-customised” service work were highly astute. I can offer little by way of improvement (see Figure 2), but what my research does offer is analytical and empirical insight into *how* and *why* occupying the middle-ground is both rewarding *and* punishing as Frenkel

²⁴⁷ Each store has its own page on the company’s website.

anticipates.²⁴⁸ The main challenge of thriving in the mass-customised middle ground for WC was that it proved to have no fixed point. What constituted “the middle” was emergent rather than static, much dependent upon the agency of competitors further up or down the quality/service spectrum. To complicate things further, “service quality” did not have a fixed universal meaning. To some customers this means efficient impersonal delivery (e.g. Amazon consistently rates highly for “service quality”²⁴⁹) but for others it means the human and personal touch. Hence “service quality” has an internal qualitative/quantitative spectrum and trade-offs have to be made between qualitative and quantitative emphases (see Korczynski – Chapter Two).

An interesting related concept is the “Overton window,” which had its origins in the work Joseph Overton hence the name. What Overton argued was that the middle ground of acceptability is never stationary, it is constantly moving along a sliding scale (see Figure 54). As it moves or expands in a given direction, policies that once sat outside the window in the direction of its movement become increasingly “acceptable.” It is on this basis that proponent of “unacceptable” policies have a vested interest in persuading the public to acquiesce to the movement of the window in their favoured direction.²⁵⁰ Once the window has moved then this reflects a “new normal,” with the knock on effect of making once unthinkable things seem merely “radical” as those ideas move closer to the “middle ground.”

Overton was talking about public discourse but I would argue that the concept has equal value in explaining the challenge of occupying the “mass customised” FLSW middle-ground in the UK context. In the last decade the powerful lever in moving the Overton Window has been the Great Recession and the polarising “austerity” macro-economic

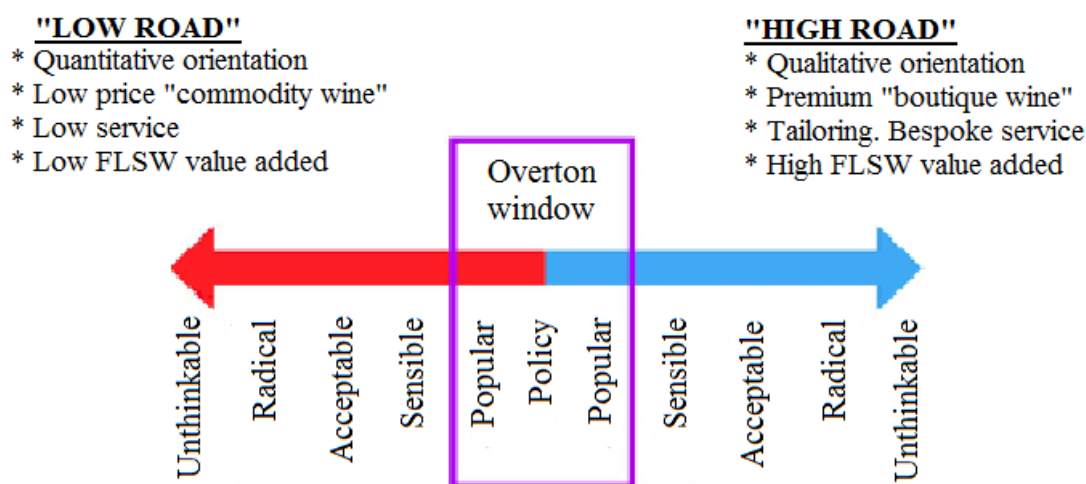
²⁴⁸ As a reminder, Frenkel’s typology located “mass-customised” in the middle of a skills/reward spectrum between “knowledge work” and “mass-service” work. It offers something of a half-way house between the bottom and the top of a sliding scale of tertiary work experience.

²⁴⁹ See: <https://www.instituteofcustomerservice.com/media-centre/press-releases/article/amazon-retains-top-spot-for-customer-satisfaction-as-turmoil-on-the-uk-high-street-continues>

²⁵⁰ The CEO of Pure Gym Humphrey Cobbold has drawn upon the Overton Window implicitly by arguing that his company strategy was to shift perceptions of what is an appropriate/acceptable compromise for middle class consumers between price and quality. He argued that he was following the “Premier Inn model” of gaining “classless” acceptability for budget operators. Comments made at *Retail Week*, London, 7-8th March 2018.

policy that followed.²⁵¹ In the realm of wine retail these mutually reinforcing forces have had the effect of shifting the “Overton window” down the “low road” in favour of “cheap plonk” mass-service model operators.²⁵² What was “unthinkable” before (middle class people buying their wine at Aldi or Lidl) became merely radical and progressively moved towards “popular” and “normal.”

Figure 54: The wine retail Overton window



Setting aside the many internal factors I have discussed throughout the thesis, this structurally-embedded shift seems bound to have compromised those in the middle-ground and the ability of their management to deliver upon progressive promises (see Thompson, 2003). In amongst SVM pressure and a general shift in the Overton window in the least favourable direction, life “in the middle” appears bound to have become less comfortable for WC and its FLSWs.

Limitations of the research

²⁵¹ See: <https://www.newstatesman.com/politics/media/2017/10/hold-front-page-george-osborne-discovers-effects-austerity>; also: <https://warwick.ac.uk/fac/soc/law/research/centres/chrp/spendingcuts/resources/reports-uk/#UK>

²⁵² Fitting my position, Huddleston (2011) argued that in the aftermath of the Great Recession the whole retail sector has sailed down river towards “low-road” strategies.

This research is a product of my deployment of agency as a frontline operator, observer and ethnographer. It is also an expression of my strengths and weaknesses in enacting those roles, and I harbour no illusion that this account is faultless or composed of *final truths*. In Chapter Eight I flagged up the importance of commitment as a key basis of FLSW orientation, and I suspect that commitment-by-type is significant to researchers too. My commitment in this endeavour has been to “tell the truth” of life on the frontline whilst staying mindful of the inescapability of the *Verstehen* problem. Some may regard a commitment to truth as a “romantic” throwback to a less self-conscious age of positivistic assumptions. In response, I can only re-articulate my belief that a world exists independent of the researcher’s gaze that is available to study. Whether and to what extent my presence created a “Hawthorne effect” is difficult to say, but I would argue that my presence in the research setting was of minor significance compared to the forces and factors that my thesis has centred upon.

There are three addition points I wish to make. Whilst in no way denying the centrality of the story teller I hope to have made clear that my argument rests upon a systematic analysis of a variety of sources. A considerable proportion of the evidence draws upon verifiable facts, meaning that some core elements of the story cannot sensibly be disputed even if the interpretation can be. The second point I wish to make is that I have no tribal allegiances in terms of theory, at least that I am aware of. Through the course of this research I have applied numerous theoretical models and conceptual constructs to the data, rejecting them only on the basis of the aptness of their fit rather than any pre-conceived notion of right or wrong. I am confident that I have honoured the spirit and substance of the analytical steps identified in Chapter Four.

A final point I wish to make is that this account has been selective by necessity, focusing on a limited selection of the most important forces and factors that shaped the experience of FLSW in my view. This is not to say that the list of candidates for discussion has been exhausted – quite the opposite, there were a number of themes I would have liked to have pursue but deprioritised them to focus on the core themes. One of the biggest unexploited windows of opportunity is to synthesis the data in terms

of class relations. At a conference earlier in 2018²⁵³ I presented a paper on how Wine Corp “buys”²⁵⁴ and “sells” class as aspects of its profitable reproduction, which then perpetuates whites middle class advantage. I hope to continue on this path as a future endeavour whilst also exploring the forces and factors that underpinned an apparent gender division in amongst store-level “negotiated orders.” These divisions were along predictable lines but exploring how those patterns emerged in relation to personality, commitment-by-type and other factors may contribute something useful. Other ideas for future endeavours are reviewed in the next section.

Directions for future research

A key area of interest going forward is to cross-examine and develop Hochschild’s “three stances” on emotional labour (see Figure 1). She highlighted three types of responses to management’s attempts to commercialise feelings – those being, *identifying*, *distancing* and a combination of the two. She also argued that each “stance” was accompanied by particular risks (e.g. of burnout, “going robot,”²⁵⁵ etc). As much as these patterns were apparent amongst my FLSW cohort I felt that there is more to the story. In Chapter Eight I presented two factors that I believe are central to that story, although for reasons of space and relative significance I could only really touch upon them. A better understanding of how personality and orientations intersect with emotions seems both interesting and relevant *vis-à-vis* stage behaviour and experiences. Wharton’s (1993) study provided empirical support for the notion that individual personality characteristics mediate emotional labour effects. Deery et al. (2002) also highlighted the significance of “personal characteristics” as mediating factors in emotional exhaustion amongst FLSWs. Importantly, they identified a link between “extroverted” personality types and burnout which is worrying given the pressure that WC’s FLSWs are under to enact this type whether it comes naturally or not.

²⁵³ The International Labour Process conference (ILPC), Buenos Aires, Argentina, March 2018. Paper entitled: *Locating class in “high end” frontline service work*.

²⁵⁴ In my view WC’s most *consistent* recruitment priority was to “buy class.” DM’s explicit recruitment policy was to “hire people who remind customers of their children.” This means white and middle class by virtue of the customer composition. One store manager explained to me WC’s recruitment policy in the following terms: “Are you white? Tick. Are you middle class? Tick. You’re in!”

²⁵⁵ Van Maanen (1991) – see references.

On the topic of types, one of the most interesting to revealed itself in the study was the “bleed blue” – a fanatic in the eyes of co-workers. A mystery that remained unresolved at the completion of the research was how to explain the phenomena. Whether and to what extent there are common threads, shared beliefs and unifying characteristics of these “identifiers” (to use Hochschild’s language) strikes me as a fascinating topic.

Another such topic would be the role of “actor networks” (see Latour, 2005) in shaping cultural norms within stores. Several of the managers in Region X were trained by two “patriarch” store managers, one of whom remains in the company. My analysis suggested that there may be inter-generational transmission of both official and unofficial customs and micro-practices (see Fineman & Sturdy, 1999), which then disseminate as “norms” as trainees are promoted and dispersed throughout the region. An attempt to identify and trace these patterns, seeing whether and to what extent they lead to *re*-negotiation of orders may provide compelling theoretical insights into normative behaviour.

Two final suggestions warrant mention. Firstly, there is a clear need for more research into the links between SVM, “*you’re on your own*” neo-liberal managerialism and FLSW experiences. I am unaware of any other study of FLSW that articulates and explores this link as I have, but research elsewhere has highlighted the reverberations of “financialisation” throughout companies with significant effects upon employees (see Cushen, 2013; Ezzamel et al., 2008; Widmar, 2011; Baud & Durand, 2011). Cushen (2013) for example summarised her ethnography of “Avatar Group” – a large knowledge work PLC as follows:

“In the financialised workplace investors dominate, accounting narratives permeate and knowledge workers are not that special after all.”

Thompson (2013; see also Cushen & Thompson, 2016) has been particularly vocal in calling for analysis of the links I have sought to trace so as to better understand connecting mechanisms between different levels of phenomena.

Lastly, there remains a need to develop a better understanding of what “good” FLSW looks like²⁵⁶ and what institutional and structural arrangements are conducive to it (see Andersson et al., 2011 – Chapter Three). When the LF regime came into WC my hope was that it might facilitate a research story of two halves, with a “happy house” back end contrasting with a descent-into-*bleak house* front end (i.e. the latter DM era). As we now know history did not play out that way, and the WC study did not yield much insight into “happy houses” other than indicating forces and factors that helped or hindered. With this in mind I have provided a trait comparison of WC with the two examples of happy houses offered in Chapter Three (see Table 18).²⁵⁷ Comparative case studies at a sub-sectoral and/or occupational level (see Knox & Warhurst, 2018) may be a useful way of further understanding the nature of “good” FLSW experiences, as well as the sustainability of models that facilitate it.

Table 18: Wine Corp Vs “happy houses”

	Wine Corp	Jenkins & Delbridge	Lankshear et al.
Sub-sector	Mass customised retail	Mass customised call centre	"High road" call centre
Ownership	PLC	Private, owners as managers	Private, owners as managers
Governance	SVM	Ethical/contrarian orientation	"Paternal" leadership
Leadership	CEO, external hire	Founder managed	Founder managed
Size	Over 1000 employees (200+ sites)	97 (single site)	394 (across 3 sites)
Quality of life policies	Present but oscillating, implemented with fanfare but in most cases quietly withdrawn	Present: described as "authentic" by the authors	Present: authors argue that they are fairly and genuinely implemented
ICT & bureaucratic control	High	Low	Low
Discretion	Medium - assessed on performance outcomes Vs costs rather than <i>use</i> of tools. GP "failures" are bonus deductible	High - Genuine trust-based model	Medium: Negotiated order - "compromise model"
Product type	Much loved by most FLSWs	"Quality" oriented receiver of out-sourced reception services	"Happy product"

²⁵⁶ As suggested by Odul Bozkurt in a stimulating discussion of retail work during feedback to my presentation at the ILPC, mentioned above.

²⁵⁷ Lankshear et al. (2001); Jenkins & Delbridge (2014).

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Appendix

Section 1: Review of the strengths & weaknesses of ethnography

This section reflects upon on the methods deployed in pursuit of my research objectives. It was written with an intention that it would feature as a section of Chapter Four, but was relegated to the appendix to conserve space in the main thesis. I include it here so as to illustrate the advantages and disadvantages of my methods in general terms. Rather than recite well-known arguments in a de-contextualised way, I have framed the discussion as an exploration of work that influenced my approach to data collection and analysis.

Silverman's (2007) jocular work brings to light many of the advantages of ethnography. For example, he draws attention to how it allows us to synthesise the "remarkable in unremarkable things" (p.16); to capture unique and/or overlooked aspects of mundane life and to "look at things afresh" (p.18). This congruence between "looking at things afresh" and ethnography crystallised in Dalton's (1959) account of managers' behaviour and experience in work, and consequently threw into sharp relief a range of pre-existing assumptions about the unit of analysis. Patton & Appelbaum (2003) argue that ethnographic studies are adept for the development of individual, organisational, social and political insights. This also resonates with Dalton's achievements in *Men Who Manage*, as it continues to be regarded as an authoritative account on the pervasiveness of political dynamics and normative control in work lives (see Hales, 1999). Furthermore, the main pillar of Dalton's work – its detail and depth of description – represents another advantage of ethnography.

However, a strength that was not apparent in Dalton's essay is the capacity of ethnography to provide explanatory frameworks or typologies as I have sought to achieve. Mars' (1982) ethnography of workplace "fiddles" leveraged these capacities to a remarkable extent. Based upon a comparative study in several workplaces over ten years, Mars developed a typology of fiddles that posited links between job conditions and illicit practices. This resulted in workers being labelled as "donkeys, wolves, hawks," and "vultures" (p.29 – see Chapter Seven) so as to express how the structural

conditions of certain occupations led to patterns of fiddles characteristic of certain species.

Watson (2011: 204) argues that ethnographic methods are “uniquely able to address questions of how things work” including the processes of “cultural learning.” These aptitudes in particular enabled Mars to make convincing links between work relations, structural conditions and fiddles that seem unlikely to have materialised without observation and participation. Indeed, a foremost advantage of ethnography is that it avoids some of the problems associated with relying exclusively on interviews (see Watson, 2011: 210-213). Noted such examples are the inability of interviewers to scrutinise the relationships between point-of-view and actions (Silverman, 2007) and identity and actions (Hammersley & Atkinson, 2007). Conversely, “triangulation of methods” is a defining characteristic of ethnography, which serves as a key basis for proponents’ consideration of the approach as synonymous with valid findings. Another such basis is the degree of integration that researchers apparently achieve, by actively participating in the research sphere and accruing trust (Baszanger & Dodier, 1997). Again, it does not seem unreasonable to argue that Mars (1982) would have struggled to attain such insights without achieving close-up collegial access.

In summary, Mars’ (1982) achievements were two-fold. Firstly, by developing an explanatory framework for patterns of workplace fiddles he may be credited with “theory generation” (see Bluhm et al. 2011). Secondly by elaborating upon pre-existing anthropological work – in particular that of Mary Douglas (see Mars, 1982: 23-39) – Mars may also be credited with “theory elaboration” (Bluhm et al. 2011). Each represents an important theoretical justification for ethnographic research, enabling those labouring under its auspices to contribute significantly to world knowledge despite “inherent scale limits” (Star, 1999: 383). Another form of theoretical contribution for which ethnographic studies are suited is *theory testing*. An outstanding example of such was produced by Armstrong (1983), who deployed ethnographic techniques to arbitrate over a dispute: *are supervisors more appropriately construed as members of the proletariat or bourgeoisie?* To address this question the author carried out participant observations over four months, so as to comprehend the nature of their role. He found in favour of the latter, and couched the credibility of his account in thick

description and clear analysis of interview data triangulated with first-hand observations.

Weaknesses of Ethnography

Multiple problems have been cited in relation to ethnography. Projects have been called into question on the basis they “lack transparency” (Bluhm et al. 2011: 1879); lack representativeness and/or failure to provide concrete foundations for generalising; and also, because they lack “rigour” in the collection, construction and analysis of empirical materials (Patton & Appelbaum, 2003: 62). The most deleterious weakness posited by critics is the problem of *verstehen*, a term that may be loosely defined as “subjective understandings.” It is argued that despite the degree of empirical rigour exhibited by researchers, findings are ultimately bound by their own interpretations and fundamental assumptions (see Hammersley & Atkinson, 2007). The implication then is that it is an inappropriate vehicle for objective social research and the production of valid insights.

As Silverman’s (2007: 119-144) discussion highlights, this problem has even led some social-constructionists to abandon the pursuit of ideals such as *truth* altogether, thereby conceding the irresolvable nature of the problem and adopting instead an “anything goes ... motto” (p.138). Silverman however adopts a stance that would resonate with most contemporary ethnographers including myself, which advocates the retention of naturalist aspirations such as “clarity, reason” and “truth” despite their problematic nature.

The *ontology* underpinning ethnography – or *assumptions about what type of things exist* (Ackroyd & Fleetwood, 2000: 6) – is fundamentally incongruent with “strong social constructionism” (Reed, 2005: 22). This is because the solipsism and relativism of the latter belies a social world *out there* that may be studied systematically and validly. However, constructionists’ critique has nonetheless incurred greater reflexivity on the part of mainstream ethnographers such as Watson (2001). His major work *In Search of Management* features many elements in common with Dalton (above) in terms of settings, questions, and access acquired. Yet a significant divergence occurs in their respective analytical approaches. Whereas Watson is at pains to explain his interpretation of given data – to present alternative possible interpretations, and to integrate himself as “co-constructor” – the “researcher’s hand” (Watson, 2001: 6) was

largely concealed by Dalton. Consequently, the former enhances the reader's ability to evaluate researcher-role, perhaps mitigating the effects of *verstehen* by accentuating foundational assumptions.

Another strong example of mitigating the weaknesses of ethnography is evident in Maitlis' (2005) work. What differentiates her account is the rarefied degree of rigour and transparency with which the methods section is constructed (pp.22-30); each stage of the project from conception to execution to analysis is outlined in succinct detail. Maitlis' work also exhibits several key features that are perceived as "best practice" for qualitative research (see Bluhm et al. 2011: 1873) including "accuracy checks; counting the countables; longitudinal design; a strong theoretical foundation, and triangulation" (ibid. – see also Chapter Four). This meticulousness appears to mitigate the perceived dangers of researcher bias, thus enhancing the likelihood of valid findings. It also provides an exemplary template for how ethnographers may systematise their research as a bulwark against those eager to question the conscientiousness of non-quantitative research.

A final noteworthy attribute of Maitlis (2005) is the form of generalisations made. Maitlis utilises a typological matrix to hypothesise *likely* outcomes of range of conditions that are *likely* to arise in a broad range of similar circumstances and contexts. Such qualitative generalisations are commonly referred to as "analytical" (Patton & Appelbaum, 2003) or "descriptive" (Watson, 2001) so as to differentiate them from the formal generalisations synonymous with quantitative research. This type of generalisation may equip ethnographic research with wider implications and resonance beyond the particular case.

Section 2: “The plan” for “Wine Corp 2.0” as stipulated by management

The plan (1/4): Improving the experience

<u>OBJECTIVE</u>	<u>YOU TOLD US...</u>	<u>MANAGEMENT SOLUTIONS...</u>
		<u>EXPERIENCE</u>
(1) Nation's favourite wine specialist	"...that we should be the only shop people think of when they buy wine"	<ul style="list-style-type: none"> • "More special events in store • Cross-channel marketing of store activities • Roll out of new store format (to replace the "Quick fix")"
(2) Any time, any where	"...that it's not as easy to shop at WC as it should be"	<ul style="list-style-type: none"> • "Make WC a leading multichannel business • Delivering a central home delivery capability before the next Christmas peak (inc. name day/next day delivery nationwide)'
(3) Own the customer relationship	"...that we need to hold onto more of our loyal customers and convert more new customers to regulars"	<ul style="list-style-type: none"> • "We will use technology to personalise marketing ... and we'll make sure we speak to each of our segments; new, nurture, repeat, loyal, lapsed, in the right way to encourage the next step. • Testing programmes to improve customer loyalty, re-activate lapsed customers and welcome new customers."

The plan (2/4): Improving the product offer

<u>OBJECTIVE</u>	<u>YOU TOLD US...</u>	<u>MANAGEMENT SOLUTIONS...</u>
		<u>PRODUCT OFFER</u>
(1) Right range in the right store	"...that WC is well-known for being a brilliant place to find a wide selection of wines to suit all tastes."	<ul style="list-style-type: none"> • "We are building a new merchandising team to ensure that we have the right range in the right type of stores. • A new range architecture that balances a core range available in every store, [tailored, bolt-on] modules of products ... and a dedicated space in store for special parcels."
(2) Unique wines with stories	"...it's the special wines with great stories that get you out of bed in the morning."	<ul style="list-style-type: none"> • "Wines you just cannot get anywhere else, especially the supermarkets which demand much greater scales."
(3) Brands, quality and value	"...You love our own brand Quintessential."	<ul style="list-style-type: none"> • "We want to sell exclusive wines that offer better value and better quality, but that also have good margins!"

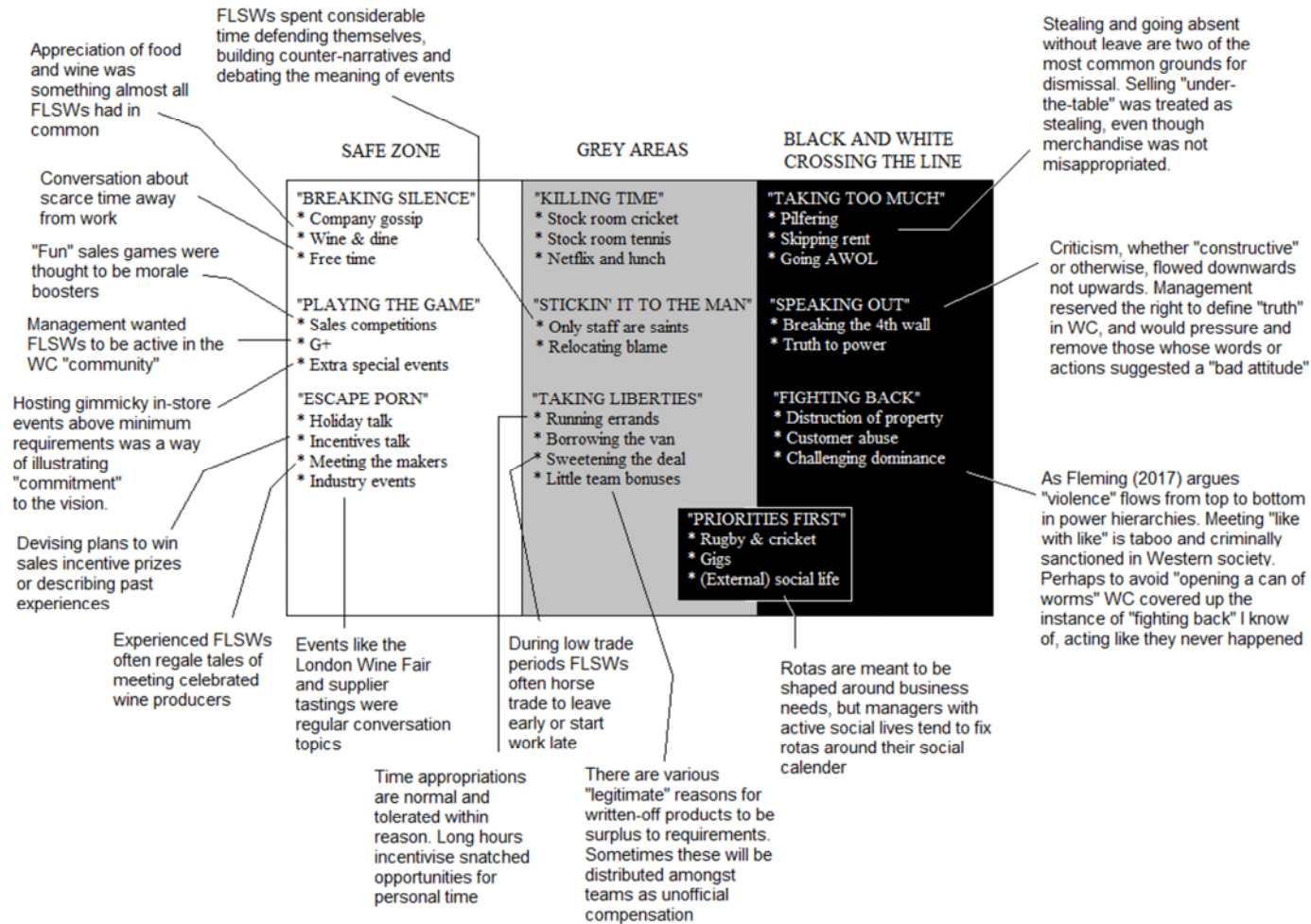
The plan (3/4): "Making it easier"

<u>OBJECTIVE</u>	<u>YOU TOLD US...</u>	<u>MANAGEMENT SOLUTIONS...</u>
		<i>MAKING IT EASIER</i>
(1) Simplify the task	"...There are too many tasks to complete in stores ... [these] are often inefficient and technology can help us to improve this."	<ul style="list-style-type: none"> • "Our busy programme of store refits will introduce shelving units and rolling pallets to make it easy to merchandise the core range. • Addressing the problem of lone working by looking at ways to get more trainee managers out of the van and into store and a more flexible working arrangement so we have the right number of people in a store when we need it. • We will stop moving staff around the country as a way to progress."
(2) Right stock, right amount, right time	"...It's difficult to know when you will get the stock that you need and that when it arrives it's often not in the quantities you need."	<ul style="list-style-type: none"> • "Investing heavily in the supply chain to introduce new distribution options and replenishment process."
(3) Joined-up systems	"...Our systems are outdated and don't support an excellent customer proposition in a multi-channel world."	<ul style="list-style-type: none"> • "Automating the web order process. • A big project to deliver a new EPOS system."

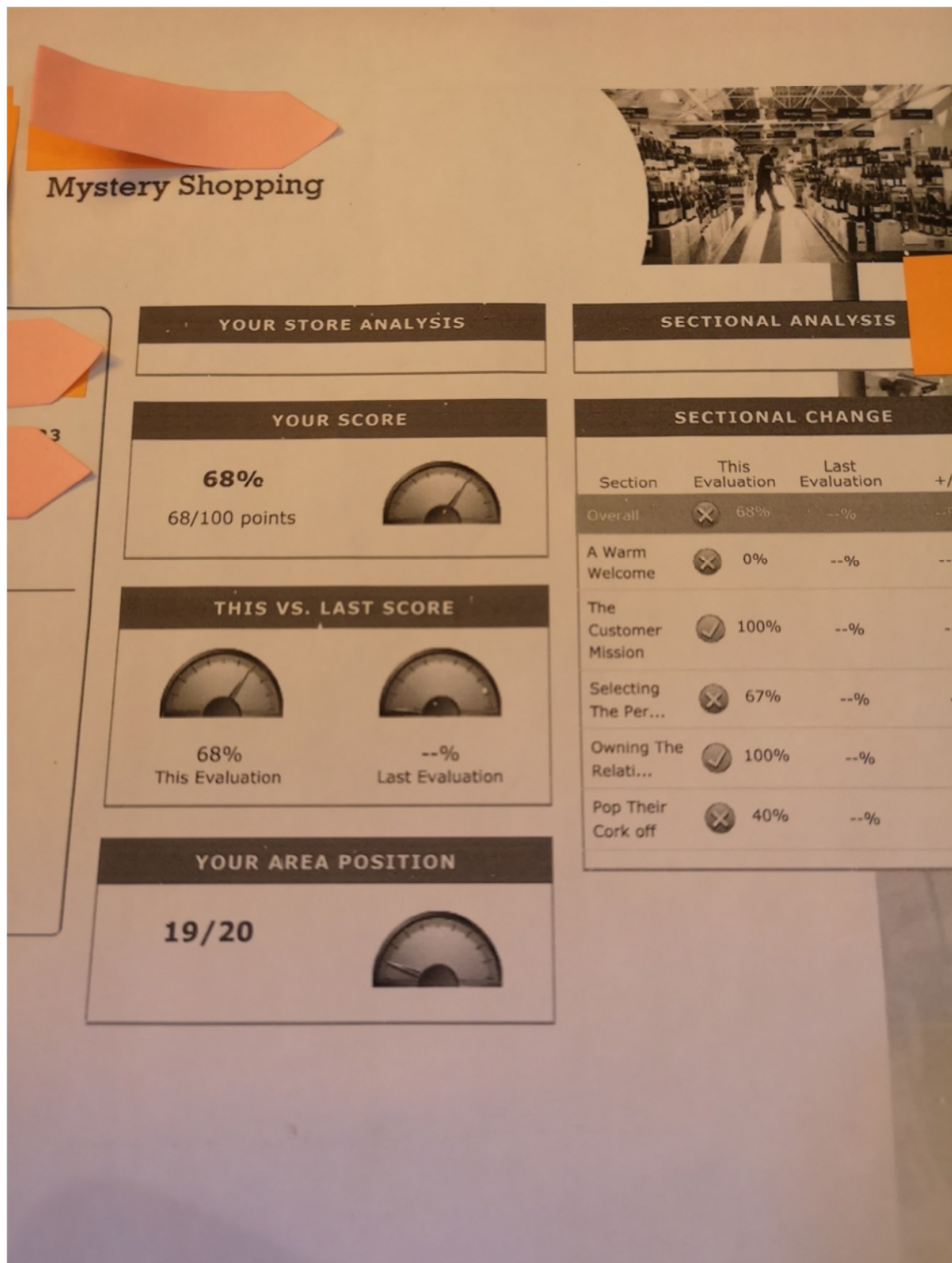
The plan (4/4): "People" (aka human resources)

<u>OBJECTIVE</u>	<u>YOU TOLD US...</u>	<u>MANAGEMENT SOLUTIONS...</u>
		<u>WC PEOPLE</u>
(1) Passion and teamwork	"...One of the best things about working for WC is the people who you work with and the shared passion you hold for our amazing products."	<ul style="list-style-type: none"> • "We commit to talking to everyone regularly, through detailed surveys to find out what you think it's like to work at WC. • We'll use the results ... to consistently improve in a way that empowers everyone to do their very best."
(2) Training and development	"...We do a good job in providing training, but that we could do more and that you want to have a clear path to progress your WC career."	<ul style="list-style-type: none"> • "Build a people capacity that (i) identifies, trains and develops those people who want to take part and make a difference; (ii) rewards and recognises those who ... go the extra mile and make a difference; (iii) we will increase communication and have fun! • KPIs will be introduced for senior managers based upon 'internal engagement' and/or manager retention."
(3) Recognition and reward	"...We've lost great people because they were not properly recognised and rewarded."	<ul style="list-style-type: none"> • "Everyone ... will have a bonus scheme based on company performance and personal delivery. • Free shares to incentive commitment amongst junior staff; performance related shares for store managers and above."


Section 3: The spectrum of frontline service work behaviour in Wine Corp – annotated



Section 4: Mystery shopper report (1/3)



(2/3)

QUESTION	SCORE	ANSWER
Date shop performed		
		22/9/2017
Time of visit:		
		11:30
How much did you spend? (To the limit of £15.00)		
		15.00 GBP
PLEASE UPLOAD A PICTURE OF YOUR RECEIPT:		
		
A WARM WELCOME 0% (0/10)		
1. Were you greeted warmly, with a smile and with eye contact with in the first 2 minutes of entering the store.		
0/10 No		
If team member only asks "do you need any help/can I help you" please score the above question as 'No' They must give you a warm greeting with eye contact and a smile to be awarded the point.		
YOUR COMMENTS:		
I entered the store at 11.30. One staff member was on the till but didn't acknowledge me. The other was stacking bottles at the rear of the store. Another customer entered and spoke directly to the person on the till who began to serve her. After a few minutes the man stacking bottles approached me and asked if he could help.		
THE CUSTOMER MISSION 100% (20/20)		

(3/3)

2. Did the team member ask you if it was your first visit to [redacted]	10/10	Yes
3. Did the team member clearly establish what occasion you were shopping?	10/10	Yes

If team member asks "what wine do you like" or "what are you drinking" please score no. They must find out what occasion you are shopping for to score the points.

YOUR COMMENTS:

The adviser [redacted] asked what occasion I was shopping for. I explained that I had friends for dinner this evening and wanted a change from my normal wines. The adviser asked a number of questions about the types of wine I liked and the sort of price range I was looking for. I indicated I wanted advice on both a red and a white wine.

SELECTING THE PERFECT WINE 67% (20/30)

4. Did the assistant make clear and passionate recommendations appropriate to your occasion?	10/10	Yes
5. Did the assistant use Customer buy it again ratings or personal story's about the wines to make their recommendations?	0/10	No

If team member only uses price or the discount to recommend the wine please score the question as 'No'. They must give you a reason other than price to recommend the wine.

6. Were you invited to taste something with the team member on the tasting counter?	10/10	Yes
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YOUR COMMENTS:

The adviser appeared knowledgeable and interested. He talked about different grape varieties that I had not tried before but didn't use any personal stories. I was invited to taste a white wine and the adviser was very helpful in explaining the wine and how to prepare and serve the wine he was recommending, eg temperature, time to breathe etc.

OWNING THE RELATIONSHIP 100% (20/20)

7. Did the team member ask you for your e-mail address and explain the benefits of providing it.	10/10	Yes
8. Did the team member give you a reason to come back (including but not limited to...invite to future tastings, no quibble, sale or return, free delivery, party service, online proposition, click and collect, calais)	10/10	Yes

YOUR COMMENTS:

I was invited to leave my email, which I did, and was advised about free delivery, tasting evenings, and tasting notes and other mailing benefits. The adviser offered to box the two bottles and to carry them to my car, even though only 2 bottles were purchased. I was offered tasting notes for the two wines I purchased.

POP THEIR CORK OFF 40% (8/20)

9. Did the team go above and beyond normal, standard customer service to wow you?	0/10	No
10. Did the team member carry your purchase to your car? (N/A if less than 4 bottles) this is a Non-Scoring Question		N/A
11. Based on your experience today, how likely would you be to recommend this store to your family and friends?		8
12. How do you rate your overall experience today, please choose, 0* to 5* (0* being poor service, 5* being outstanding service)	8/10	4*

PLEASE NOTE: IF YOU HAVE SCORED THE ABOVE QUESTION LESS THAN 5 WHAT COULD WE HAVE DONE TO MAKE IT A 5* EXPERIENCE?

The initial customer service was poor. I was left wandering round for about 4 minutes before being approached. The person on the till ([redacted]) should have greeted me on arrival. Once [redacted] started serving me it was clear he was experienced and knowledgeable and he gave very valuable information and guidance. I was impressed by his advice and felt he gave good recommendations. This level of specialist advice helped to counteract the initial poor impression.

Section 5: Request for demographic data

Email to senior figure in the People Department:

On Fri, 18 Jan 2019 at 10:40, Martin James <[REDACTED]> wrote:
Dear [Zoe],

You may not have heard of me or my PhD thesis but I was granted access by senior management during the [Dan Mitchell] and [Lyle] eras to carry out longitudinal ethnography of the experience of store work. My PhD thesis passed the viva examination in December 2018 but there were some suggestions by the examiners for additional data in the final submission, mainly as background/contextual information.

I should add that my coach [Daisy Bouchard] recommended you as the best person to contact. I currently work for [WC] part-time in the [Canalside] store, 174. I first joined [WC] in 2009.

The examiners recommended the following information be added:

- 1) % store staff turnover for each year discussed in the thesis, ideally 2009-2018.
- 2) Average tenure for store staff, in other words how long the average store worker stays in the company. Again, year-by-year change data (2009-2018) would be ideal, if it's available.
- 3) Composition of store staff by gender and ethnicity: % male Vs female & proportion of white-British employees throughout the study period.

I do not know the extent to which this data has been collected and retained but it would be a huge help if you could provide it or direct me in its collection and collation.

To be clear, my study is anonymised and all the actors (including [WC] itself) are given pseudonyms. The study observes all aspects of the code of ethics as outlined by the British Sociological Association and American Sociological Association.

As mentioned this data is not a feature of the analysis. It is background data that will be added to the methods chapter.

If the data is not available then this would be useful information in itself so please let me know.

If it is easier to talk on the phone then please feel free to phone on [REDACTED].

Kind regards, Martin James.

Response 1:

From: [Zoe] <[REDACTED]>
Date: Thu, 31 Jan 2019 at 11:38
Subject: Re: Request for basic information to complete PhD
To: Martin James <[REDACTED]>

Hi Martin,

Apologies for the delayed response, we are currently a little light on resource!

Exciting stuff about your PHD - super interesting! Do you have any written consent from [Dan]/[Lyle] for this project?

Some of the date we have some we may not, in the process of transitioning into a data led people team currently. We will see what we can do,

Thanks
[Zoe]

Response 2:

From: [Zoe] <[REDACTED]>
Date: Thu, 7 Feb 2019 at 15:41
Subject: Re: Request for basic information to complete PhD
To: Martin James <[REDACTED]>

Hey Martin,

Can you leave this with me, we are currently undergoing a lot of transformation in the team so we can get this sort of data moving forward, we may be able to get none, some or all- we will keep you posted!

Thanks
[Zoe]

p.s high fives on the phd- very impressive and must be lots of hard work!

Response 3 (after some pestering around the time of my departure from WC):

From: [Zoe] <[REDACTED]>
Date: Mon, 18 Mar 2019 at 10:57
Subject: Re: Request for basic information to complete PhD
To: Martin James <[REDACTED]>

Hi Martin,

Soory to hear you are leaving, and apologies I have not been able to provide the information you need, it is a bad time for us with low resource and us currently undergoing projects so we can report on this data quickly,

Best of luck for the future,

Kind regards
[Zoe]

Section 6: The operational side of frontline service work in Wine Corp

INVENTORY	
Stock take	Physically counting all store stock.
Stock adjustments	Using EPOS to align stock levels in store and on the system.
Receiving & counting direct orders	Checking that physical stock received matched the invoice.
Stock additions	Adding direct order inventory to EPOS.
Merchandising (aka “box opening”)	A rolling task, the WC equivalent of replenishing shelves in a supermarket.
Drop	Merchandising pallets of stock onto the shop floor.
Drop adjustments	Aligning stock actually received on EPOS with anticipated numbers, as stated on the drop sheet.
Stock runs	Acquiring stock from other stores to satisfy customer needs. A given store also received stock runs. At both ends stock needed to be “pulled,” checked and stored.
Stock requirements	Lists needed to be maintained of stock needs, to ensure that customer orders were satisfied in accordance with agreements (e.g. for deliveries on certain days). Stock runs (see above) and webstore (see below) provided last resort but expensive options.
Webstore	Requests for stock were required to be executed and monitored, with an expectation of a 48 hour delivery window.
Webwines	WC stores provided “click + collect” services for WebWines customers. These had to be processed using WebWines’ electronic interface.
Write-offs	Products used (in support of sales) and shrinkage had to be recorded on a rolling basis, to avoid wide discrepancies between EPOS and actual stock.
Returns and refunds	<p>Given that WC loaned out auxiliaries and operated a “no quibbles” returns policy, a large volume of sold stock was returned. These returns had to be checked (to ensure correct quantities & re-sellable conditions), inputted into EPOS and re-merchandised into stock holdings.</p> <p>WC also offered a free collection service, meaning that FLSWs had to pick up as well as drop off. Quality service expectations mutually applied here.</p>
Date rotation	Beers and ciders are perishable whilst the majority of WC’s wines were not for aging. WC FLSWs had to rotate stock to ensure that older stock sold first. This added considerable time to merchandising.

Sales transfers	<p>Sales transfers from other stores had to be manually inputted item by item, making them very time consuming. This ensured that stock levels were adjusted on the tills.</p> <p>The quickest way to do these was to take pictures of invoices (with delivery notes written on them) and send them to the delivering store. They would then input the identical sale and sell it to “other” on the EPOS payment screen. The originating store would then refund it to “other” and HQ would match up the two ends for accounting purposes.</p>
Petty cash	Purchases had to be made, processed through EPOS and recorded for monitoring purposes. The budget (£50 per month for a smaller store) was typically used to support sales and store welfare (tea, coffee, cleaning products).
Office equipment	WC had an exclusive office supplier so orders had to be placed with them to keep stores operational.
DELIVERIES (AKA “dels”)	
Picking orders	Rounding up and boxing up (if necessary) products and then grouping them together as delivery runs.
Scheduling/route planning	<p>Balancing the meeting of customers’ delivery requirements and expectations with time efficient and cost effective routes. All customers had to be contacted in advance via phone or email.</p> <p>There was no bespoke software for this purpose. Staff typically inputted post codes into Google maps manually as part of the run planning process.</p>
Order checking	The gold standard was to triple check orders going out for delivery. One person did the first pick, another checked and a final person checked and loaded onto and off of the van at store and destination.
Order labelling	Delivery errors were a lot less likely if each individual box is labelled. There was no automated system for this, so each box was written on by hand.
Delivery execution	<p>A WC FLSW had to carry the right products in the right quantities “across the threshold” into customers’ properties.</p> <p>The service proposition was significant here because there was a mutual expectation of skilled delivery. Customers had various wants and needs and some deliveries may have had hundreds of products spread across multiple invoices. At peak time 25+ orders may have</p>

	been loaded onto the van for a single run, making it easy to make mistakes that could prove expensive and time consuming, not to mention costly in reputational terms and 5* feedback.
Maintaining a paper trail	Orders had to be accepted and signed for. It provided proof of delivery; sometimes customers would challenge store teams on whether they had received their order in full. On rare occasions this would be weeks or even months after the fact.
Filing	All sales related paperwork was stored in the “period box.” 12 months’ paperwork would be retained.
Webstore (2)	Deliveries had to be “moved through the system” online and recorded as “complete.” There was also a paper system (the “del” folder”) that had to be monitored and administered on a rolling basis.
CLEANING, MAINTENANCE, SECURITY	
Alarms	Had to be activated and deactivated at the beginning and end of each day.
Closing down procedure	Each store had its closing down routine. Signs, windmasters and trolleys had to be brought into store; tasting counter wines needed to be chilled; gates, security doors, etc., had to be closed and/or locked; the “shutters” had to be put down. When a store opened many of these steps had to be done in reverse. A careful opening or closure took circa-20 minutes.
Cash up	The till had to be counted every night prior to closing. Discrepancies had to be investigated in advance of HQ enquires.
Banking	We were advised to bank cash from payments “2 or 3 times per week.” As a stand-alone round trip, it took a FLSW roughly half an hour from Canalside.
Sweeping & mopping	Clean shop floors were a “non-negotiable” in WC stores. The kitchen and toilet (see below) also needed to be kept presentable and hygienic.
Dusting	Removing cobwebs and cleaning shelving units for fine wine, spirits, Champagnes, French wine, WIGIGs, etc.
Tasting counter	Glasses had to be washed; wines had to be maintained and monitored for deterioration; wines had to be selected and written-off; surfaces had to be maintained.
Sales counter	Needed to be kept tidy and organised for the purposes of sales support.

Car park	<p>Had to be cleared of leaves in autumn and litter all year round.</p> <p>Car parks also had to be monitored for abuses, given that some stores were located in areas where free parking was scarce. Some WC stores had automated “eye in the sky” car park monitoring. None of the stores in my sample did, meaning that FLSWs had to deal with abusers themselves.</p> <p>This occasionally led to threats and other forms of staff abuse. I was a victim of this on a handful of occasions.</p>
Kitchen & toilets	Both were used by FLSWs and customers so required upkeep. The kitchen and its basic amenities were used to prepare food for wine events, carrying public health and safety implications.
Store van(s)	<p>Required regular maintenance given their heavy use. Insurance was covered by a company-wide policy but general upkeep was the responsibility of stores.</p> <p>HQs set weekly and monthly van checks as a standard expectation of store teams. Both featured 20-30 checks which had to be carried out and then submitted online.</p>
Fire alarm checks	To be carried out weekly. It was a manual process of inserting keys into active sensors to ensure that they activated.
SALES SUPPORT	
Wine events	<p>These had to be scheduled and coordinated with rotas. Food, wines and support materials (e.g. handouts, tasting notes) had to be prepared. The sales floor had to be prepared with tasting stations or whatever else the occasion requires.</p> <p>Sales were taken during and after events so these had to be processed and scheduled. Stores had to be returned to their usual state after events, necessitating a tidy-up and clean down.</p> <p>Some events were paid for so staff had to ensure payment and monitor for “freeloaders.”</p>
“POS-ing up”	<p>Given that price tickets hung on bottles - attached only by pieces of string - they often went missing. A POS on all products was an important non-negotiable.</p> <p>Replacing a POS meant printing it out onto card (templates of all POS were available on the intranet) then manually cutting it out and</p>

	<p>mounting it. This could be time consuming if a large number of POS went missing, as occurred during busy seasons.</p>
Promotions	<p>Posters and marketing material had to be kept up-to-date in support of commercial drives. These were displayed both inside and outside of stores.</p> <p>“Dump stacks” were also changed regularly to ensure that promotions featured prominently and were accessible.</p> <p>All of the stores I worked in had a promotions folder containing marketing bulletins and promotional updates. The former could be 30-40 pages long, covering seasonal trading cycles. The Christmas bulletin was in the region of 100 pages long in LF era.</p>
Miscellaneous admin	
Phone calls	<p>Numerous calls were made for trivial reasons unconnected to sales. Many callers were not customers at all and considerable proportions were automated diallers.</p> <p>Calls to stores went to stores whereas other retailers (e.g. Tesco) route callers through call centres, effectively vetting them. In contrast, any and all calls were FLSWs responsibility in WC. It was surprising how many concerned the most basic of information (e.g. opening hours) that was available elsewhere.</p>
Emails	<p>The issues that applied to phone calls also applied to email. Stores’ email addresses and other contacted details were easily accessible online.</p> <p>This meant that they were used by a wide variety of human and automated entities. These had to be sifted and sorted. Commercially and operationally significant messages required replies from FLSWs.</p>
Product recalls	<p>These happen relatively often (at least several a year at a guess). In the least products had to be taken off sale. Sometimes it was specific lot numbers that had to be removed from sale, requiring FLSWs to inspect boxes or even individual bottles to minimise shrinkage and inconvenience to customers.</p>
“Weekly tasks”	<p>HQ distributed a weekly task list. It was a list of literal tick boxes with instructions like “complete price change by 31st” or “Chicago Bay goes onto promotion Thursday (lasts until Monday close of play).”</p> <p>In essence it was a reminder list that covered numerous operational requirements.</p>

Section 7: Over-social customers & anti-social customers – examples and elaboration

Mr Greystone - Bar fly & Monopolist

This individual was one of our most regular visitors in Canalside. He drove a distinctive car, meaning that his arrival would always be recognised by FLSWs. Usually this would lead to one or more FLSWs fleeing in different directions to hide away, leaving the slowest to react with the burden of service and conversation. Dread of Mr Greystone was part of the store's satire and there was some innuendo around the question of what he wanted *besides* wines from certain FLSWs. This related to the store manager who Mr Greystone liked in particular, although he had gotten to know the name of all store staff and would ask after them on days off. On one occasion when I was on my own he asked “*where's Wayne*” (the store manager), and soon after followed up with “*where's the kids?*” – a reference to my younger colleagues. On one occasion Wayne hid in the small back area for roughly 45 minutes to avoid having to talk to Mr Greystone.

Mr Greystone spent £1000-£2000 per annum but he would only make purchases once in a handful of visits. On other visits he would attempt to hold court on the tasting counter, vocally sharing his opinions with staff and fellow customers. He seemed to take pleasure in writing off wines as “crap,” “rubbish,” or saying things like “I wouldn't pay a fiver for that (if the wine was +£10, for example).”

His constant critique was one of the reasons staff swerved to avoid him; I personally avoided recommending wines due to the high likelihood he would complain about them on his next visit and/or return the bottle half consumed. His volume of returns and colonisation of staff time made me suspect that he was not a profitable customer, although it was too complicated to calculate. On some level my colleagues appeared to share this suspicion because there was team-wide indifference to whether we kept him as a customer, and Wayne was sometimes overtly rude in the view of the rest of us. These breaches of etiquette were relatively subtle but not to the extent that they would

be missed by onlookers. He would tell Mr Greystone off for interrupting him as an example, or would needlessly contradict him in front of other customers.

What ultimately separated Mr Greystone from the bulk of “ordinary” customers was the frequency of his visits, the length of his stays and the expectation of special treatment. Staff were reluctant to award special treatment because they took displeasure in doing so.

Mr Rigetti - Monopolist

Conceptually each of these types relate to a pattern of behaviour. Those labelled “monopolists” are those who *repeatedly* attempted to colonise FLSWs’ time, leading to their discomfort. It was not just regular customers who exhibited these types of behaviours though; some one-off customers were capable of producing a “masterclass” that was so abnormal that it would become part of store folklore.

One such example was the visit of Mr Rigetti, who by happenstance visited our store at the exact moment an evening Customer Invite Tasting was due to commence. At the time Customer Invite Tastings featured 10% additional discount for purchases on the night so they were very well attended. On that evening we expected and received around 120 guests, turning the store into something akin to a controlled explosion of customers. The majority arrived soon after the session started at 18:30.

It was against this backdrop that Mr Rigetti’s behaviour was so unusual, in that he had an incredible knack of pretending that none of this was happening - carrying on as if he was the only customer in the store. As he walked in he commandeered the store manager and began talking him through an extensive list of questions and requirements. Mr Rigetti wanted and expected the “full works” of WC’s personal service proposition which seemed delusional and bizarre in the context. Most “normal” customers would see that they had picked a bad time and volunteer to come back some other time in my

experience. To the store manager's amazement as well as my own, Mr Righetti pressed his agenda regardless and took up around 50 minutes of the manager's time. The rest of us had to rally around the manager's abandonment of his post so to some extent, all attendees were affected by the blinkered behaviour of one customer.

This story was retold amongst us on numerous occasions, perhaps as an expression of disbelief at the lack of self-awareness customers can exhibit. It was told as an example of a "tasting gone wrong" too because we lacked for the spare bodies to deal with a "difficult (regular) customer" should one present themselves. If the manager had known how much time Mr Righetti would ultimately take up then he would have told him to "*fuck off and come back another time*" as he latterly explained. Once he had committed however, he felt obliged to see the sale/service encounter through.

Mr Harvey - Special Friend

Now retired, Mr Harvey spent much of his career working in the wine industry and enjoyed regaling us with tales of his trips to wine regions. It was clear that he was authentically knowledgeable about wine, especially those from the "classic regions" of France, Italy and Spain. He liked to tell stories about famous wines he had purchased for fractions of their modern day costs. Some such wines he would occasionally gift to staff. Just prior to my resignation from WC, he left us with a bottle of Port with a current market value of around £80.

Unlike Mr Greystone (above) Mr Harvey was friendly in his demeanour and far more diplomatic in his appraisals of wines on the tasting counter. He was therefore more warmly embraced than Mr Greystone although there was typically a collective sigh upon his arrival nonetheless. Perversely, it was his very friendliness and generosity that was resented because it imposed upon FLSWs a pressure to reciprocate with their time and emotional energy. On a slower day this may be a relative pleasure, and I do recall Wayne in particularly seeming to genuinely enjoy time on the tasting counter with Mr

Harvey. On numerous other occasions it would be a burden though, due to the nature of the day and/or the mood of FLSWs present.

Mr Cole – Mr Big

Another example of an extraordinary customer was Mr Cole who had become the arch nemesis of store manager Dean. Dean's account was that Mr Cole had had a problem with a delivery and phoned the store to complain. During that phone call Mr Cole apparently grew irate and critical before shifting to abusive and expletive language. The main line of critique was how "*shit*" Dean was as a manager and how much better the previous manager had been.

Given the professed extent of Mr Cole's grievances it seemed reasonable to expect that he would take his business elsewhere, either to another company or another store. Two were less than 20 miles away, and would deliver free of charge to a high-spending customer like Mr Cole. Peculiarly though Mr Cole opted to remain a customer of Canalside, possibly for the sadistic reason that he enjoyed tormenting somebody who had made himself an enemy. Whilst this claim may sound extreme the evidence was the very fact that he remained a customer and waged a proxy war on Dean in the meantime. He did this by attacking him indirectly through his staff, explaining to them his view Dean's incompetency and inadequacy. I discovered this long-running feud when a co-worker returned from a delivery to Mr Cole and Dean joked "*did he say anything about me?*" She responded "*oh God he LOVES you,*" to which Dean responded "*he HATES me!*" [laughing]. It was at this point he told the forgoing story which then rolled on until Dean's (unrelated) departure from the company.

Old Majors amongst the ranks

Review of the data set revealed that old majors did not stand out as characters in the way that some other types described do. Old majors represented the "old school"

backbone of WC's loyal customer base (see Chapter Five), who were in all likelihood at the high points of their careers in the 80s and 90s when they first became customers. They were now comfortably retired, residing in affluent "exurb" villages near market towns like Canalside. As professionals they were part of the elite and they remained so as retirees, judging by the size and comfort of their residencies. I say this as a delivery driver of ten years, one who spent much of that time seeing "how the other half live[d]."

A paradoxical part of the Old Major's character make-up was impatience, which was ironic given their lack of care responsibilities or full time work.²⁵⁸ These people are amongst the relative few who enjoy "a life of leisure," but they nonetheless had a pronounced ability to make you feel like *you* were a burden on *their* time. One of the ways they did this was to close down the space for you to talk, interrupting you mid-sentence or mid-flow. As examples:

Colleague: [talking]

Customer: [interrupting, sounding unduly burdened] "*...I just want a decent Claret!*"

Colleague: [explaining our policy of opening wines on the tasting counter]

Customer: [interrupts, snapping] "*Can I try it or not!?*"

Either of these examples may be imagined amongst various types of people but in the case of Old Majors such actions correspond with an expectation of servitude, probably on generational as well as wealth/status grounds. What made them stand out was less about what they said and more about *how* they said it and what it conveyed about

²⁵⁸ I knew this through getting to know many during a decade in the company.

relative socio-economic positioning. This led Old Majors to regard their time as more valuable than staffs' despite their relative abundance of it.

Another trait of Old Majors (as implied in the main text) was an irritability in response to complexity and bureaucracy – bearing in mind that even “personal service” providers functioned on the basis of impersonal rules and practical norms. A major bugbear of Old Major's was “small print” T&Cs which they appeared disproportionately to challenge or contest. Some of the most common examples related to discount vouchers:

“Can I use this even though it's a little out of date”

*“Can I use this one [voucher] to pay for this and the other
[voucher] to pay for that.”*

“I've got a voucher at home but I didn't bring it...”

If challenged they could be awkward; once I witnessed a rejected Old Major enact a peculiar stand-in protest, the equivalent of a sit in protest but without the sitting part. Instead he slouched over the sales counter, neither saying nor doing anything besides creating confusion amongst staff. He was asked “*what do you want to do*” repeatedly [i.e., buy the goods within the voucher rules or refrain from going ahead with the purchase] and the customer did not respond, as if stunned into indecision by an expectation of compliance. After what seemed like an inordinate amount of time he opted to buy the goods, although he mumbled a number of complaints as he begrudgingly closed the transaction. It seemed like time was weaponised in this dynamic, but the customer was first to blink.

Fear of awkwardness and embarrassment was a significant motivating factor when dealing with Old Majors.²⁵⁹ For most of us “playing along” with feigned deference was the easiest way to process such customers, whereas challenging role expectations could result in discomfort that was not commensurate with probable gains. In the words of Bolton and Houlihan (2005: 699) it was almost always better to let this variety of “mythical sovereign” have their way.

²⁵⁹ The normative effect of fear of embarrassment was a key theme in Goffman’s work, as discussed in Chapter Two.

Section 8: Sold out. My final six months in Wine Corp

I continued as an employee of WC for six months after the completion of the first draft of this thesis, in September 2018. By the end of the following February I had new opportunities opening up and was at the end of my tether with the store manager, making it time to move on. I submitted my notice at that point and began working the one month notice period.

As coincidence had it, I ended up leaving the company exactly one week prior to a major announcement, leading to suspicion amongst former colleagues that I knew it was coming. It seemed *too* coincidental to be coincidental, although I had no idea of the timing or the specifics of the announcement. I soon discovered that none of my inside contacts knew before I did, even though I only found out myself from news feed.

The announcement was that LF and his coterie were putting the WC brand and its 200+ stores up for sale, moving the “reverse takeover” towards a bizarre conclusion of “old WC” being disposed of. What started out as the tail wagging the dog had become the tail eating the dog then attempting to throw away the carcass. Management did not especially care about the manner of the disposal because their only concern was to “release capital” to fund the growth of WebWines. As LF explained once the news broke:

“We are open to any permutation of sale, from someone buying the whole business through to people wanting to buy a number of stores.”

A respected industry analyst continued:

“If no one does step up, then the [old WC] business will be run down, the name dropped, and what remains of it subsumed into [WebWines], the online business that is part of the same group.”

Email exchanges with former colleagues revealed a dual sense of shock, in the first instance because they could not believe it was happening and in the second because they had not seen it coming. One colleague responded in those exact words: *“Some might say how did we not see it coming?”* Another colleague responded in a more tongue-in-cheek way, saying *“it’s almost as if you knew! You obviously have your finger on your pulse. I’ll probably be joining you as a [employee of another organisation].”*

In making the announcement LF had to perform a balancing act between justifying the decision to stakeholders (especially investors) and talking up the value of the soon-to-be relinquished assets. He did this by emphasising how *“we are doing this from a position of strength ... WC is still growing even in a very tough market ... it just happens WebWines is growing faster.”* Both of these latter statements are true, but what they fail to intimate is the extent to which a self-fulfilling prophecy contributed to the disparity in growth. WebWines was comparatively smaller than “old WC” and operated in more markets, meaning that it had more growing space and required comparatively small amounts of revenue growth to secure impressive *sounding* percentage growth. That then justified “agnostic” channelling of investment funds into the “rapid growth” portion of the company’s portfolio, which would then grow faster than the other portions as a result. Superior growth rates then justified the investment patterns that produced them.

It would require a forensic accountant to “follow the money” in granular detail but one is not necessary to understand the broad strokes. In each year since the takeover the holding company’s surplus was increasingly channelled into Webwines as revealed by annual statements. In 2018 it was announced that “investment” in Webwines (i.e., the amount spent on advertising and marketing) would grow to £26m p/a in the next financial year. Over three years that would equate to almost half of the market capitalisation of the present concern, speaking to the scale of investment in WebWines. By comparison “old WC” had been badly mismanaged when the tap was turned on,

which then justified a resource diet. Throughout both phases management blamed slow growth on anyone and everything but themselves.²⁶⁰ Away from the media spotlight they synchronously waged an ideological propaganda campaign against their own FLSWs whilst attempting to institutionalise the “Meritocracy” system of belief. What management demanded and expected was “instantiation” – that is, an instantaneous feedback loop between “better” performances and “better numbers.” In light of the damage done to the brand by the previous regime and the further damage inflicted by “Webwinesification” (see below), such an expectation bordered on obscene in my view.

As was stated at the end of Chapter Six and throughout Chapter Nine I am not attempting to develop an overly simplistic “it’s all management’s fault” counter-argument. There were powerful external forces and factors shaping “old WCs” malaise that cannot fairly be laid at LF’s doorstep. It was and is nonetheless true that as the unassailable master of the “technical booth” - with unilateral power over the levers of control for a period the length of a US Presidential term – LF had far more sway over the destiny of “old WC” than any other internal actor(s).

Doing some basic maths, I discovered that even at its lowest ebb in the late DM era “old WC” was still valued (by the market) at circa £215m in February 2015. Soon after it bought Webwines for £70m, which has grown since (for reasons set out above) making it reasonable to believe that its value remains at least constant. Once £70m (the value of WebWines at point of purchase) is deducted from the current market capitalisation it gives us a crude current value estimate of £120 million for pre-WebWines WC. In short, the market values “old WC” at roughly £100m *less* after four years of LF than after the final negative growth year of Dan Mitchell. It is hard not to wonder why.

It barely needs stating that the high street has hardly become a better/safer investment prospect in the last four years, but it is easy to forget that the high street’s long-term viability was anything but certain in 2015. At the time I was working for the Welsh Government on the Vibrant & Viable Places regeneration programme, aimed at breathing new life into decimated shopping districts and urban communities. In 2012,

²⁶⁰ Their favourite euphemism was “headwinds” as a reference to external forces and factors.

Mary Portas had been charged with “saving the high street” and three years earlier, countless household names went into administration during the recession (see Chapter Five). Upon consideration then, the demise of the high street and the online shift is neither an original challenge nor narrative.

I cannot pretend to be able to provide a verifiable and complete explanation for the aggregate behaviour of “the market” but I do believe that the inside story of “old WC’s” demise is captured throughout this thesis. As said, the internet was hardly new in the run up to 2013/14 when WC’s profits peaked and its rivals went out of business. Around that time and for reasons I sought to explain in Chapter 6 Part A, WC lost its mojo and momentum. LF was bought in to recover these but it was always likely to be a tall order. Nevertheless, his solution was to transplant the WebWines model onto WC which alienated and offended many traditional WC customers, as discussed in Chapter Seven. More astute industry observers came to the same conclusions as the following analysis indicates:²⁶¹

“So what big ideas did [LF] have for [Wine Corp]? Over the last four years we have seen the company slowly [WebWines]-ified. Its press releases got sharper and more agenda-setting. Its language has taken on a matey tone that appeals to some but grates on anyone who would rather speak to a customer service department than a customer happiness team. A lot of energy went into increasing customer and staff engagement – for example: more focus on tasting; a new “wine concierge service”; an online ratings system and a “franchise-light” programme to incentivise managers...

For me, the problem was the wines. My hit rate at [WC] tastings began to tank. It wasn’t that they were terrible – not usually, anyway – more that too many were insipid, or easily beatable

²⁶¹ Taken from a feature article in a national broadsheet, soon after the announcement of the sale of “old WC.”

elsewhere, and so impossible to recommend. I knew things were bad when my dad – a diehard [WC] customer – shelled out for a Wine Society membership.”

It seems reasonable to ask how and why such a deterioration in wine quality ties into the thesis. With her usual astuteness the commentator answered this question for me, albeit with a degree of subtlety:

“In its new incarnation, [WC] went big on own-label: buyer [Victoria Crookshank] recently told a conference that around half of [WC’s] wine is now “private label”. What does that mean? In [WebWines]-speak it means “exclusive” wines. In reality, anyone can have wine made or blended to order to ensure no one else has exactly the same thing ... The problem is “exclusive” doesn’t necessarily mean better – though it does mean the customer can’t run a price comparison to check they’re getting the best deal.”

LF’s regime prized “exclusives” in part because they obscured true worth as the author suggests, enabling the extraction of higher profits by depriving customers of straightforward bases of comparison and valuation. WC’s FLSWs were pressured to sell exclusives and own-label via “Meritocracy” exactly because they carried higher margins than well established brands. We were advised against selling the latter for the sole reason that they offered “crap margins,”²⁶² although it went without saying that profitability ought not to feature in a sales pitch. Pressure to sell the best margins (rather than the best pound-for-pound products) laid naked the mythical nature of “customer first” in LF’s WC.

²⁶² These were the exact words of a regional director who provided general guidance around the time of the implementation of “Wine Corp 2.0” (see Chapter Six Part B). In a day to day sense it was store managers who applied the pressure to sell “exclusives”, although it was institutionalised through “Meritocracy.” This made the sale of “exclusives” one of the four KPI’s that would lead to stores being designated as “nailing” (at best) or “failing” at worst. Management explicitly reserved the right to dismiss managers of failing stores.

In the article that I quoted from above, the author made extensive reference to the disingenuousness and superficiality of the Webwines model that LF and his lieutenants sought to superimpose onto “old WC.” A thorough illustration of this would require quoting the article in full but her sentiments are contained in the following passage:

“I kept meaning to write a general state-of-affairs piece about [WC] and talked to its retail & managing director –[Ron Potter] ... [Potter] talked a lot about ‘the heavy lifting’ that had been going on within the business to ‘build the foundations’ ... [Potter continued] ‘There’s a lot of talk – is the high street dead? I see only opportunities. Shopping’s never been better.’ But I couldn’t shake the feeling that I was missing the real story, so I never wrote the piece.”

The author was proven right: in March 2019 it was revealed in a conference call with investors that the divestment of “old WC” had been in the pipeline for eighteen months, dating its conception to around October 2017. For the year and a half since management had done the rounds telling anybody who would listen about their “excitement” about the “opportunities” in high street retail. It is now clear that they were secretly preparing to offload the business throughout the period.

Happenings on the inside made the “real story” even more blatant with hindsight – hence my colleagues’ remark (above) “*some might say how did we not see it coming?*” A common conviction heard around Christmas 2018 was “*I don’t think they [management] are bothered anymore.*” It felt to me like the lame duck period at the end of a political administration, with the executive disappearing from view and no “vote winners” coming down the pipeline. The only exception to the rule was some radical experimentation with new store formats and aesthetics in isolated locales. This was clearly the road-testing of management’s *hidden-in-plain-sight* plan to roll out Webwines either alongside “old WC” (after a buyer was found) or as its replacement.

In the conference call just mentioned an investment analyst asked LF to explain the dramatic *volte-face*, abandoning the high street after a continuous and zealous stream of contrary rhetoric up until that point. The gall of LF's response is perhaps worthy of admiration: he said "*we've felt an obligation to the WC staff to give the strategic plan the runway. To let them implement it and see what happens ...*" Here LF insinuates that his role was little more than that of patient backseat passenger, which is perhaps one of the finest examples of "role distancing" I have encountered throughout my WC journey. Little by way of detective work was required to identify the main beneficiary of WC's last four years though; it just so happened to be the person who was at the controls the whole time. As the same industry analyst (above) remarks:

"Read [WC's] accounts and you notice that one independent guy who seems to have done rather well for himself is [LF]. While his package seems modest, in CEO terms, at £343,000 in 2017/18, his remuneration has consistently been geared to shares rather than cash. At the end of the last financial year his shareholding in [WC] ran to 4,526,881 ordinary shares, with the final tranche due to be vested in April."

One colleague of mine increasingly spoke of the new regime in "conspiracy theory" terms in my final year with the organisation. So bizarre was the mismatch between effort and energy expended on WebWines versus "*you're on your own*" "old WC" that he began to suspect purposeful sabotage. In his own words "*I think they're crashing the bus on purpose.*" I was not personally of this view; it seemed more likely that LF's initial attempt at turnaround was sincere but failures and complications led to fatigue and distancing.

Regardless, my colleague did present me with a piece of evidence that could not be easily explained away. He set up the store computers to display Webwines' and WC's website side by side and said "*look at the difference!*" Indeed, the quality difference in

appearance and user interface was the difference between night and day. This led to a second question: *why hadn't WebWines' superior online commercial platform been transposed onto Wine Corp's?* It seemed self-evident that it would have improved customers' experience and boost sales, customer retention etc. Furthermore, WebWines owned the intellectual property and had in-house expertise to make the improvement at low cost. Adding to the mystery still more, WC's present online commercial platform was newly created under the LF regime. Why spend considerable sums developing a website for "old WC" that is blatantly inferior to one that the company already owns and operates in another division?

These questions tie into another, which is why LF failed to converge the businesses more broadly, which could have saved millions in operational and admin costs over the four years under consideration.²⁶³ Perhaps an analogy is the best way to appraise the meaning of these concerns. If one was to marry someone but they insisted on a clear separation of assets, friend groups and life styles then one might wonder whether they were hedging their bets. One might also wonder what the point of the marriage is in the first place if you are going to live apart, married in name only. If that same partner then suggests that you pool household income but prioritise "investment" in them because they are achieving faster career growth then you might begin to wonder – bearing in mind the other oddities just mentioned – whether your "partner" had your best interests at heart.

Thus I ended my ten year journey in Wine Corp perhaps with more questions than answers. Something that I can say with confidence is that the few who are adequately positioned to answer these questions are almost certain to give inaccurate or incomplete responses. Goffman (see Chapter Two) believed that authority is *at best* deceptive and this study has provided few indicators to the contrary.

²⁶³ As Figure 30 illustrated the exact opposite happened: centralised costs skyrocketed after the "reverse takeover."